



**DRAFT ANNUAL REPORT**

# Contents

## CONTENTS

CONTENTS.....	2
REVISED ANNUAL REPORT TEMPLATE .....	7
CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY .....	<b>Error! Bookmark not defined.</b>
COMPONENT A: MAYOR’S FOREWORD .....	<b>Error! Bookmark not defined.</b>
COMPONENT B: EXECUTIVE SUMMARY .....	9
1.1. MUNICIPAL MANAGER’S OVERVIEW .....	<b>Error! Bookmark not defined.</b>
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW .....	10
1.3. SERVICE DELIVERY OVERVIEW .....	15
1.4. FINANCIAL HEALTH OVERVIEW .....	16
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW .....	18
1.6. AUDITOR GENERAL REPORT .....	19
1.7. STATUTORY ANNUAL REPORT PROCESS.....	20
CHAPTER 2 – GOVERNANCE .....	22
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE .....	23
2.1 POLITICAL GOVERNANCE .....	23
2.2 ADMINISTRATIVE GOVERNANCE .....	27
COMPONENT B: INTERGOVERNMENTAL RELATIONS .....	29
2.3 INTERGOVERNMENTAL RELATIONS .....	<b>Error! Bookmark not defined.</b>
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION .....	30
2.4 PUBLIC MEETINGS.....	30
2.5 IDP PARTICIPATION AND ALIGNMENT .....	34
COMPONENT D: CORPORATE GOVERNANCE .....	35
2.6 RISK MANAGEMENT .....	35
2.7 ANTI-CORRUPTION AND FRAUD.....	36
2.8 SUPPLY CHAIN MANAGEMENT .....	36
2.9 BY-LAWS .....	37
2.10 WEBSITES .....	38
2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES.....	39
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I).....	40

# Contents

COMPONENT A: BASIC SERVICES .....	41
3.1. WATER PROVISION .....	42
3.2 WASTE WATER (SANITATION) PROVISION.....	<b>Error! Bookmark not defined.</b>
3.3 ELECTRICITY .....	43
3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING) .....	48
3.5 HOUSING .....	55
3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT .....	58
COMPONENT B: ROAD TRANSPORT .....	60
3.7 ROADS.....	<b>Error! Bookmark not defined.</b>
3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION) .....	65
3.9 WASTE WATER (STORMWATER DRAINAGE).....	67
COMPONENT C: PLANNING AND DEVELOPMENT .....	71
3.10 PLANNING.....	71
3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES) .....	75
COMPONENT D: COMMUNITY & SOCIAL SERVICES.....	85
3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) .....	<b>Error! Bookmark not defined.</b>
3.13 CEMETORIES AND CREMATORIIUMS .....	92
3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES .....	93
COMPONENT E: ENVIRONMENTAL PROTECTION.....	119
3.15 POLLUTION CONTROL.....	119
3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION) .....	122
COMPONENT F: HEALTH.....	125
3.17 CLINICS .....	125
3.18 AMBULANCE SERVICES .....	129
3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC .....	132
COMPONENT G: SECURITY AND SAFETY.....	135
3.20 POLICE .....	<b>Error! Bookmark not defined.</b>
3.21 FIRE .....	138

# Contents

3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER) .....	142
COMPONENT H: SPORT AND RECREATION.....	145
3.23 SPORT AND RECREATION.....	<b>Error! Bookmark not defined.</b>
COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES.....	148
3.24 EXECUTIVE AND COUNCIL .....	<b>Error! Bookmark not defined.</b>
3.25 FINANCIAL SERVICES.....	151
3.26 HUMAN RESOURCE SERVICES.....	<b>Error! Bookmark not defined.</b>
3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES .....	<b>Error! Bookmark not defined.</b>
3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES .....	<b>Error! Bookmark not defined.</b>
COMPONENT J: MISCELLANEOUS.....	162
COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD .....	162
CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE.....	163
(PERFORMANCE REPORT PART II).....	163
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL.....	178
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES.....	178
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE .....	179
4.2 POLICIES.....	180
4.3 INJURIES, SICKNESS AND SUSPENSIONS .....	180
4.4 PERFORMANCE REWARDS.....	182
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE ....	<b>Error! Bookmark not defined.</b>
4.5 SKILLS DEVELOPMENT AND TRAINING.....	184
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE.....	186
4.6 EMPLOYEE EXPENDITURE.....	186
CHAPTER 5 – FINANCIAL PERFORMANCE .....	189
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE .....	211
5.1 STATEMENTS OF FINANCIAL PERFORMANCE.....	212

# Contents

5.2 GRANTS .....	214
5.3 ASSET MANAGEMENT .....	215
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS .....	218
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET .....	222
5.5 CAPITAL EXPENDITURE .....	222
5.6 SOURCES OF FINANCE .....	223
5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS .....	224
5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW .....	225
COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS .....	226
5.9 CASH FLOW .....	227
5.10 BORROWING AND INVESTMENTS .....	228
5.11 PUBLIC PRIVATE PARTNERSHIPS .....	231
COMPONENT D: OTHER FINANCIAL MATTERS .....	231
5.12 SUPPLY CHAIN MANAGEMENT .....	231
5.13 GRAP COMPLIANCE .....	232
CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS .....	233
COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS Year -1 .....	236
6.1 AUDITOR GENERAL REPORTS Year -1 (Previous year) .....	236
COMPONENT B: AUDITOR-GENERAL OPINION YEAR 0 (CURRENT YEAR) .....	237
6.2 AUDITOR GENERAL REPORT YEAR 0 .....	237
GLOSSARY .....	238
APPENDICES .....	241
APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE ..	241
APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES .....	242
APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE .....	243
APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY .....	244
APPENDIX E – WARD REPORTING .....	245
APPENDIX F – WARD INFORMATION .....	246
APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0 .....	247

# Contents

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS .....	248
APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE .....	249
APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS .....	250
APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE .....	251
APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE .....	251
APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE .....	252
APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG .....	253
APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES .....	254
APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME .....	254
APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME .....	256
APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0 .....	258
APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0 .....	259
APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS.....	260
APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION.....	261
APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY .....	262
APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT .....	263
VOLUME II: ANNUAL FINANCIAL STATEMENTS .....	264

# Contents

## REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others. Notes are included throughout the format to assist the compiler to understand the various information requirements.

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and
- The other financial years will follow a similar sequence as explained above.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and municipal officials for their inputs and support throughout the development of this document.

MFMA Implementation Unit, National Treasury

# Chapter 1

## MAYOR'S FOREWORD

### **Vision:**

Our vision represents the highest level of aspiration and intentions by our municipality. It is intended as a statement that will give impetus to the leadership (Politicians) and management (administrative) to rally the community of Gariep Municipality behind clear and futuristic trajectory,

“.....is to be a viable and best performing municipality in Africa.”

### **Mission**

To deliver high quality and standard services on a sustained basis by;

- Providing leadership and applying principles of good governance and
- Building a strong local economic base to facilitate development across the municipality,

For the betterment and improvement of the quality of life of the citizens of our Municipality.

### **Core Values**

The core values of the Gariep local municipality are as follows:

- Accessibility
- Transparency
- Accountability

The three values of Accountability, Transparency and Accessibility will always act together to create a pleasant customer experience for all who come into contact with the municipality through its employees and political leaders. ATA will be the Gariep Local Municipality Way.

**ATA Means ;A Accessibility, T = Transparency, A = Accountability**

### **Key Service Delivery Improvements:**

The major achievements have been:

The accelerated, concluded and handed over housing delivery to its beneficiaries in the 140 Mzamomhle (Burgersdorp) Housing Project and Khayamnandi (Steynsburg) housing units. On the 130 Mzamomhle (Burgersdorp) Housing Project concretes evidence indicates that the matter is going to be addressed as matter of urgency. Khayamnandi Housing Project: 106 housing units were handed over, in addition to the 505 previously handed over.



# Chapter 1

*T 1.0.1*

9. A detailed four-year IDP implementation plan was developed to align the IDP and the Budget more stringently and to inform the Budget Implementation Service Plan.

10. The culture of performance management and accounting has improved dramatically

## COMPONENT B: EXECUTIVE SUMMARY

# Chapter 1

## 1.1. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA INTRODUCTION TO BACKGROUND DATA

We are proud to report that the municipality has performed all the functions delegated to it by law and confirming through the annual review by the municipal Demarcation Board. These include the following:

POWER/FUNCTION	SOURCE	STATUS
Electricity	Constitution of the RSA	The municipality is close to universal access to this important service. Please refer to the Census 2011.
Refuse Removal	Constitution of the RSA	The function is being performed with weekly removal of household and business waste. The service is closer to universal access. Please refer to the Census 2011
Roads and Storm Water		The municipality is experiencing serious challenges with the state of municipal roads network. The current surfaced roads are falling into disrepair due to resource constraints leading to poor maintenance, which is mainly grants, are too little for the construction of new roads at the pace required to eradicate the backlogs, however the municipality managed to do few km's of roads in this financial year with the assistance of MIG funding especially in the townships ,i.e. Khayamandi access road, and the Thembisa Buss route. The Upgrading of Burgersdorp has been started and will be finished in the next financial year.
Local Planning	Constitution of the RSA	There is still a major challenge of skills in the area of spatial planning. The municipality is currently handling this function

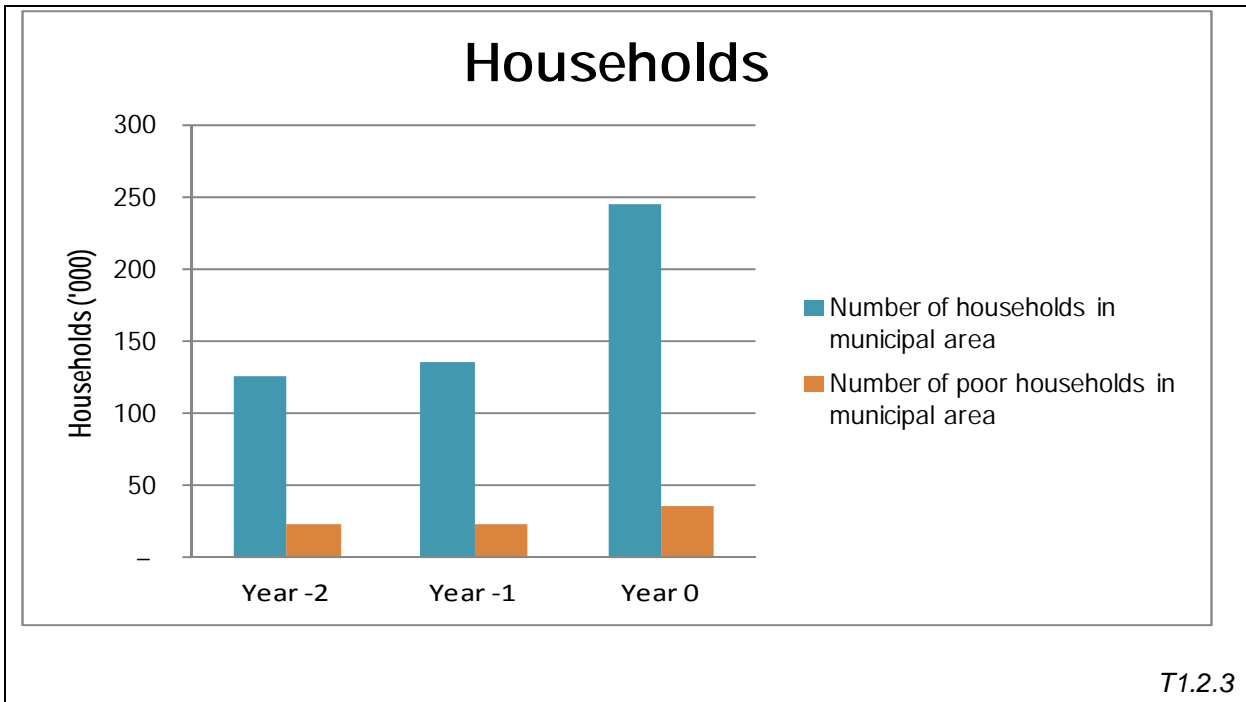
# Chapter 1

		on an ad-hock basis, with only building plans being processed
		T 1.2.1

Population Details									
Age							Population '000		
	Year -2			Year -1			Year 0		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	1469	1484		1437	1605	3042	1904	1939	3843
Age: 5 - 9	1884	1914		1790	1784	3574	1823	1835	3658
Age: 10 - 19	3583	3728		3742	3715	7457	3148	3104	6252
Age: 20 - 29	2155	2321		2501	2441	4942	2951	2951	5902
Age: 30 - 39	2381	2607		2288	3146	5434	3275	3332	6607
Age: 40 - 49	1178	1733		1466	1656	3122	1666	2940	4606
Age: 50 - 59	865	1070		1330	1275	2605	1409	2940	4349
Age: 60 - 69	865	858		704	999	1703	784	971	1755
Age: 70+	525	802		492	967	1459	518	972	1490
Source: Statistics SA 1.2.2									T

--

# Chapter 1

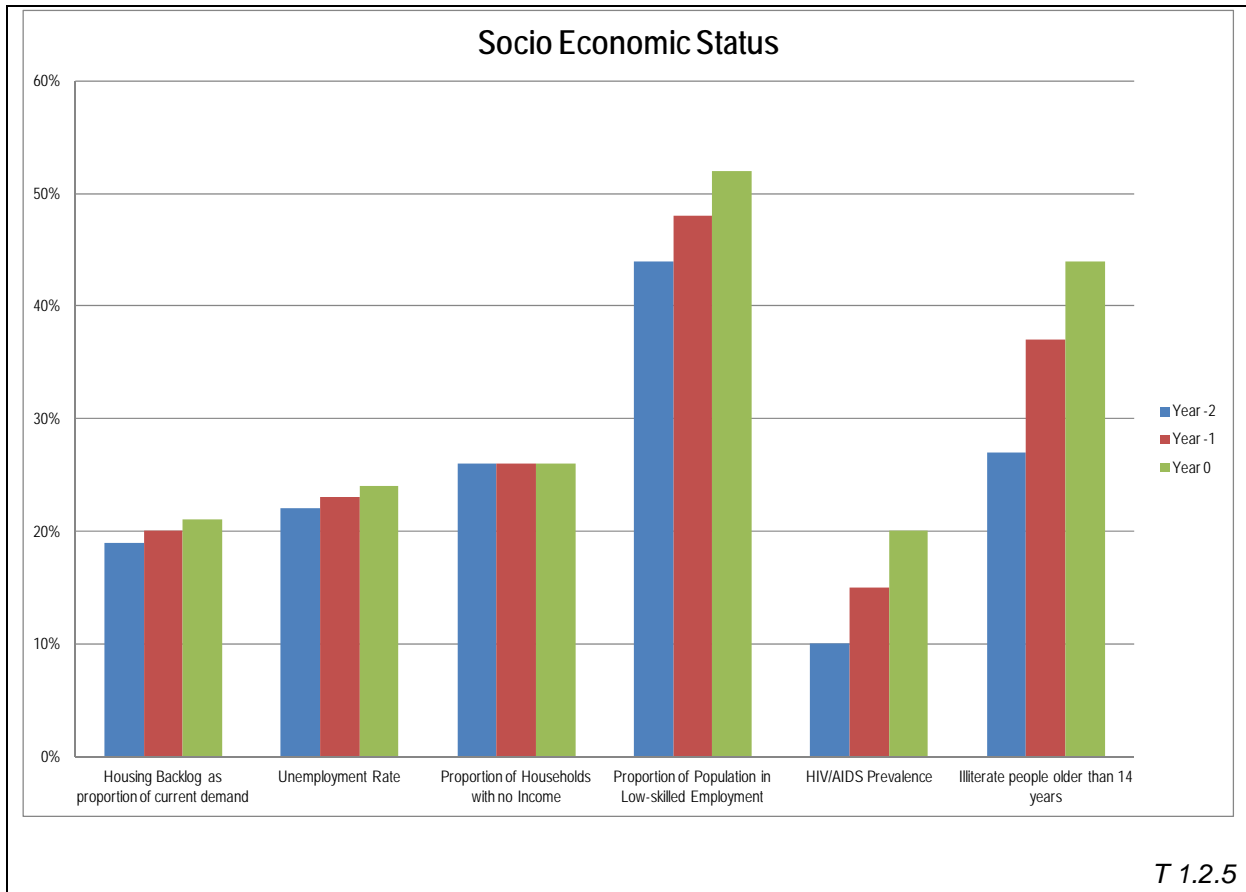


Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
Year -2	19%	22%	26%	44%	10%	27%
Year -1	20%	23%	26%	48%	15%	37%
Year 0	21%	24%	26%	52%	20%	44%

*T 1.2.4*

--

# Chapter 1



Overview of Neighbourhoods within 'Name of Municipality'		
Settlement Type	Households	Population
<b>Towns</b>		
Burgersdorp Town	500	4409
Venterstad	180	355
Steynsburg Town	300	696
Oviston	250	560
Sub-Total	1230	6020
<b>Townships</b>		
Khayamnandi Township	1500	2416
Mzamomhle Township	1300	6851
Green Fields	600	
Westdene	250	
Nozizwe Township	1400	1514
Lyciumville	500	2416
Eureka	480	

# Chapter 1

Thembisa	1650	3055
Sub-Total	7680	16252
Rural settlements		
Remainder of town		6269
Sub-Total	0	6269
Informal settlements		
Sub-Total	0	0
Total	0	33,677
		T 1.2.6

Natural Resources	
Major Natural Resource	Relevance to Community
South Eastern grasslands	Grazing by sheep and cattle
Eastern Mixed Nama Karoo Vegetation	Farming
Dry Sandy Highveld Grasslands	Farming
Solonchic soils	n/a
Geological units occurring are mainly alluvium, dolerite, mudstones and sandstones.	n/a
Water resources (Rivers, streams and wetlands)	
Grassland Biome	T 1.2.7

## COMMENT ON BACKGROUND DATA:

The percentage of people who are unemployed but not looking for work is 47% compared to 54% for the district and 48% for the province. There are 3847 people employed in Gariep Local Municipality (26.64% of the population) compared to 25% in the district and 29% in the province. The urban areas and commercial farming district are the highest employers, where people have found employment in the agriculture, commercial and service sectors. The highest number of people that are unemployed is youth which is supposed to be economically active group of the society, high indigence and

# Chapter 1

dependency on social grants. There is also high number of people with no formal schooling which denotes that there are slow levels of skills, knowledge which translates to low levels of economic growth.

T 1.2.8

## 1.2. SERVICE DELIVERY OVERVIEW

### SERVICE DELIVERY INTRODUCTION

It is clear from the Census 2011 that the municipality has experienced a marginal growth in its population. Further, there is sharp decline in unemployment in the area. First because all the available evidence points to the closing of employment opportunities evidenced by the South African Railways from the area. What is clear is that the Expanded Public Works Programmes have been taken as formal employment and added to the increased statistics of employment. The downside of this approach for the municipality is that it distorts the indigence figures significantly. This affects the equitable share allocation of the municipality. It has more service connections. However, its allocation will be much lower than, for example, a municipality with much lower service connections, as long as that municipality has a higher number of poor households. It is the municipality's submission that backlogs are funded from relevant infrastructure allocations and from the basic service components. Progress made in service connections can be summarised as follows in comparison to the municipalities in Joe Gqabi District Municipality

YEAR	GARIEPL LM	ELUNDINI LM	MALETSWAI LM	SENQU LM
Percentage of households with access to piped water				
2001	96%	32%	91.7%	62%
2011	98.1%	53.3%	98.1%	81.1%
Percentage of households that uses energy for lighting				
2001	75.6%	11.3%	56.8%	62.1%
2011	90.7%	11.3%	84.5%	81.2%
Percentage of households that uses flush toilets connected to sewer				
2001	49.2%	9.3%	85.5%	9.2%
2011	81.4%	14.5%	85.5%	16.2%
Percentage of households that had weekly refuse removal				
2001	70.0%	11%	68.8%	9.2%
2011	81.2%	13.7%	84%	13%

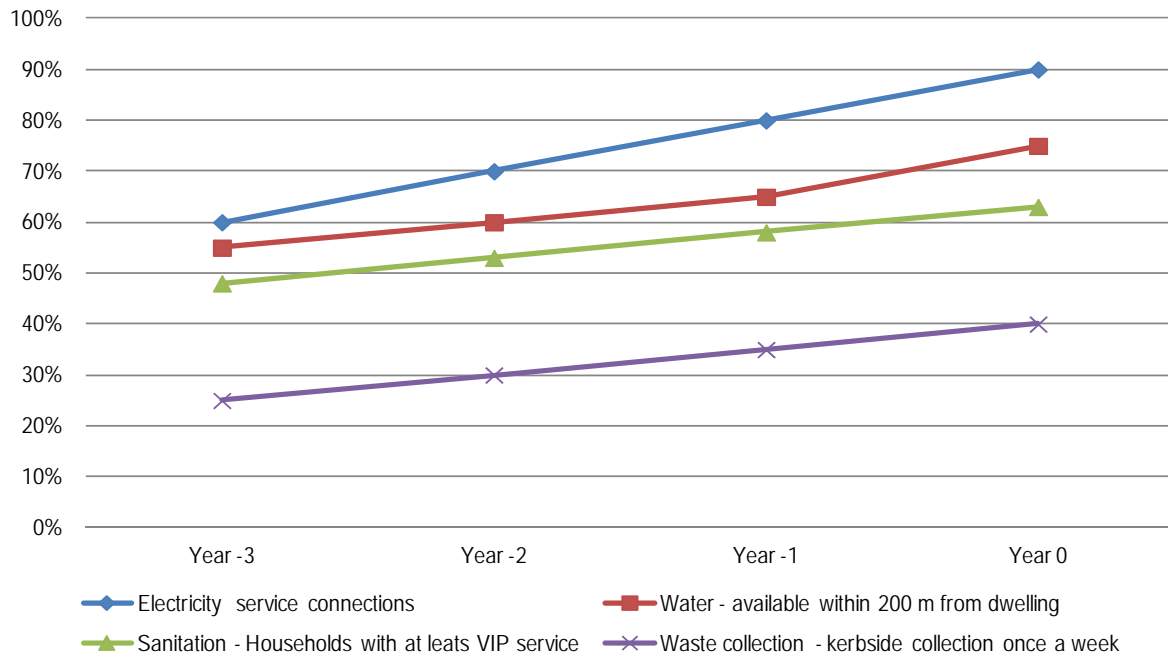
Further the new formula must allow municipalities which have limited revenue raising capacity, enough money to fund a full staff compliment necessary to fulfil their functions. To this effect, the proposition that the size of the municipal council will be used to determine how big a staff establishment each municipality should have is undesirable. Other municipalities have huge sparsely populated areas. This often leads to many wards to due impracticality of travelling between certain in some areas. Again, the issue of number as opposed to service connections will come into the picture. Municipalities in rural areas will large geographical areas but with smaller people connected to the services. They will

# Chapter 1

however receive bigger allocations for administrative costs as well as governance costs due to distorted picture.

*T 1.3.1*

## Proportion of households with access to basic services



*T 1.3.2*

### COMMENT ON ACCESS TO BASIC SERVICES:

The socio economic profile of the municipality given above including the brief discussion to be presented on financial viability challenges makes one understand the proper context for the performance information yet to follow in chapter 3. Moreover the service delivery statistics from the Census 2011 should be encouraging to citizens residing within the municipality. This statistics make a clear case of performance that is head and shoulder above peers who are in much better financial health. This being the case with district wide inclusive of the provincial figures in local government.

*T 1.3.3*

## 1.3. FINANCIAL HEALTH OVERVIEW



# Chapter 1

## FINANCIAL OVERVIEW

The municipality has, by its own admission, been experiencing major financial viability challenges manifesting in a number of ways. These have been duly disclosed in the accompanying Annual Financial Statements (AFS). Also, numerous studies and fact finding visits to the municipality by other government departments as well as the municipality's own assessments, which are in no short supply, identifies different reasons for the challenges. We merely proceed to mention some of these, without any detailed discussions for the purposes of this report. These are non-payment for services, very low equitable share allocation from national raised revenue, low rates based, failing infrastructure especially in black townships, distribution of electricity by Eskom in the areas where the municipality provides basic services, high unemployment rate, rising bulk services accounts due to high increases granted to ESKOM by the regulator over the last few years and internal inefficiencies due to inability to attract relevant skills in certain technical areas.

T 1.4.1

Financial Overview: Year 0			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	200	205	203
Taxes, Levies and tariffs	345	355	365
Other	100	80	78
Sub Total	645	640	646
Less: Expenditure	644	640	645
Net Total*	1	0	1
* Note: surplus/(deficit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	0%
Repairs & Maintenance	1%
Finance Charges & Impairment	0%
T 1.4.3	

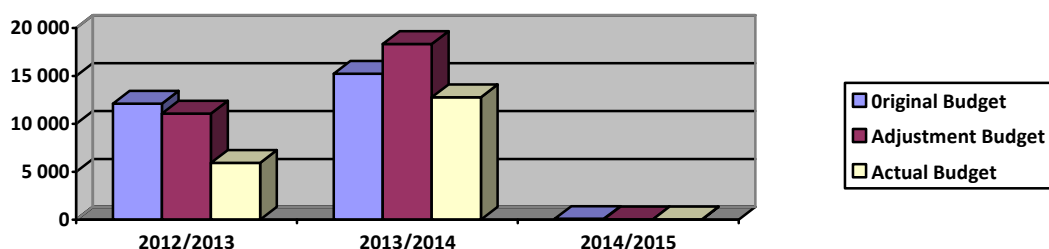
# Chapter 1

**Delete Directive note once comment is completed** - Explain variances from expected norms: 'Employee Costs' expected to be approximately 30% to total operating cost; 'Repairs and maintenance' 20%; Finance Charges and Impairment 10%.

T 1.4.3

	R'000		
Detail	2012/2012	2012/2013	2013/2014
Original Budget	12 103	15 221	
Adjustment Budget	11 064	18 337	
Actual	5 925	12 762	

T 1.4.4



T 1.4.5

## 1.4. ORGANISATIONAL DEVELOPMENT OVERVIEW

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

Gariep Local Municipality is not immune to other municipal peers of challenges related that may be related to breakdown of functional labour relates however it prides itself on the functionality of its Local Labour Forum. Overall there is lack of human resource capacity due to poor skills base and lack of training and career patting although efforts are done through the implementation of Work Place skills plan to build a dynamic labour force. The challenge to attract and retain scarce skill is a challenge as presented earlier of financial constraints. This sometimes leads to the indifference or incapacity to sort out pay parity issues, health and safety standards or lack of timeous implementation of agreements. Sometimes this goes to the extent of presentation of low productivity, poor motivation of the workforce. However in this reporting period the municipality performed relatively well in skills development and training, recruitment and appointments processes and also improved on occupational health and

# Chapter 1

safety as the municipality managed to organise workshop for supervisors and shop steward, the only think needed is to establish the Occupational Health and Safety committee

*T 1.5.1*

## 1.5. AUDITOR GENERAL REPORT

### AUDITOR GENERAL REPORT: 2014/2015 (CURRENT YEAR)

The Auditor General audited the financial statements of the Gariep Local Municipality based on the statement of financial position as at 30 June 2014, the statements of financial performance, statement for the year as highlighted above, and the notes, comprising a summary of significant accounting policies and other explanatory notes. In his opinion, because of the significance of the matters described in the basis for the qualified opinion paragraph, the financial statements were regarded to not presenting fairly the financial position of the municipality as at 30 June 2014 and its financial performance and cash flows for the year, in accordance with SA GRAP and the requirements of the MFMA of South Africa, 2003 (Act No 56 of 2003) MFMA and the Division of revenue Act of South Africa, 2011 (Act No 5 of 2012) (DORA)

The Auditor was unable to obtain sufficient appropriate audit evidence regarding the balance of payables from none exchange transactions, as the municipality dit not have a system in place to allocate unallocated receipts. As such this was the only qualifying matter.

The Municipality's audit outcome have improved from adverse.

***See audit action plan attached as an addendum and detailed explanation in Chapter 5***

*T 1.6.1*

# Chapter 1

## 1.6. STATUTORY ANNUAL REPORT PROCESS

No .	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	January

T 1.7.1

# Chapter 1

## COMMENT ON THE ANNUAL REPORT PROCESS:

According to MFMA Circular No. 63 Municipal Finance Management Act No .56 of 2003 must be tabled in the municipal council on or before 31 January each year (MFMA S127). This is an outer deadline to enable the Council to enhance its oversight function. In realizing this objective the municipality performed the above listed activities with the time frames attached to them for effective management of performance and public accountability. With the introduction of improvements in in-year monitoring, full functioning of internal audit, and establishment of new Oversight committees of Council, MPAC & Audit Committee, regularity and performance audit, contribution to effective reporting has been harnessed, as such the municipality was able to prepare and submit draft Annual Report to the Auditor General by 31 August 2015 which has since been audited and forms part of this report.. This has enabled the municipality an opportunity to raise and address challenges experienced in terms of the required reporting standards in preparation for 2015/2016. The purpose of the Annual Report is to :

1. provide a record of the activities of the municipality during the financial year to which the report relates.
2. provide a report on performance in service delivery and budget implementation for the financial year.
3. promote accountability to the local community for decisions made throughout the year by the municipality or municipal entity.

The content of this report will assist municipal councillors, municipalities, residents, oversight institutions and other users of Annual Reports which is aligned to the Integrated Development Plan, Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports.

*T 1.7.*

# Chapter 2

## CHAPTER 2 – GOVERNANCE

### INTRODUCTION TO GOVERNANCE

Gariep Local Municipality is a Plenary Executive System which the executive authority is limited to the Council itself. As such the municipal council is the only organ that has executive authority. The Structures Act deals fairly extensively with the Municipal Council and provide for the issues such as election, removal from office of councilors and the internal processes and the dissolution of Council. It further provides for the allocation of powers and functions. Council has the right therefore to determine its internal procedures. The right is protected by the Republic of South African constitution, which allows the municipal council to decide how to structure the internal operations of the municipality and what kind of mandate, area of responsibility it assigns to the political structure, office bearers and the municipal management.

The center of the Gariep Municipality's Political Structure is Council which is led by His Worship Mayor Ncedo Ngoqo. According to Section 79 of Local Government, Municipal Structures Act, the Municipality has established one or more committees for efficient and effective performance of its functions for any of its powers and functions and appoints members of such committees from amongst its members. It has determined its functions, delegated duties, appointed chairpersons, authorized these committees to coopt advisory members. As obliged by the Constitution the municipality strived with administration and financial capacity to achieve the objectives of local government which are core functions of the municipality and the reason why the municipality exists in which this report is structured to address these:

- to provide democratic and accountable government for local authorities, to ensure sustainable provision of services to communities, to promote a safe and healthy environment and finally promote public participation in the affairs of the municipality.

These basic needs and participate in national and provincial Programmes aiming at promoting social and economic development.

The following committees : the Municipal Public Accounts Committee, Audit Committee, IDP & Performance Management Committee, Finance Committee, Corporate Services Committee, Technical Services Committee, Community Services Committee and lastly Audit Committee

T. 2.0.1

# Chapter 2

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

*T 2.1.0*

## 2.1 POLITICAL GOVERNANCE

### INTRODUCTION TO POLITICAL GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community. Provide brief introduction to Political and Administrative governance at your municipality.

This distinction is essential because each category as highlighted has its specific responsibility and has therefore specific roles to play for which they are accountable. In accordance with the Systems Act (Act 32 of 200), these roles should be subjected to performance and risk management and eventually to internal audit and audit committee to verify processes and the outcomes. Councillors are elected representatives and therefore can be held responsible for service delivery implementation. The approved Performance Management Systems of the municipality require that roles be clarified as outlined in the planning documents of the Council (IDP, Budget & SDBIP) is cascaded between accountable and responsible councillors for implementation and oversight. These are therefore monitored and reviewed quarterly. The performance outcome against pre-determined objectives reflected in the (2) six months cycle reports of the approved PMS and are approved by Council

*T 2.1.1*

## Political Structure



**MAYOR/SPEAKER**  
**(COUNCILLOR NW NGOQO)**





**CHIEF WHIP**  
**Portfolio head : Finance Committee**  
**(Councillor N Mabunu)**

*T2.1.1*



# Chapter 2

COUNCILLORS		
<b>Councillor B Khweyiya</b>  Portfolio Head: Community Services Committee Ward 4 Councillor	<b>Councillor MK Mnyombolo</b>  Portfolio Head: Technical Services Committee Ward 1 Councillor	<b>Councillor N Mabunu</b>  Portfolio Head: Finance Committee PR Councillor
<b>Councillor BS Kolasi</b>  Ward 5 Councillor	<b>Councillor NTT Kula</b>  Portfolio Head: Human Resource Committee Ward 2 Councillor	<b>Councillor M van Zyl</b>  Ward 3 Councillor
<b>Councillor TZ Notyeke</b>  Chairperson of Municipal Public Accounts Committee	<b>Councillor P Kayster</b>  PR Councillor	<b>Councillor E Brien</b>  PR Councillor

# Chapter 2

PR Councillor

T 2.1.2

## POLITICAL DECISION-TAKING

T 2.1.3

Gariep Local Municipality is a Plenary Executive System which is the executive authority as such decisions can only be taken by full council.

List of Council Resolutions & Those implemented /not implemented.

Council Resolution	Implemented / Not Implemented
1. Approval of New By- Laws	Approved pending promulgation
2. Review of Equitable Share	Implemented
3. Update on Minimum Competency	Implemented
4. Unauthorized ,Irregular, Fruitless and Wasteful expenditure	Implemented
5. Writing off of inventory or Stock	Implemented
6. Quarterly Financial Report	Implemented
7. Minutes of the Public Accounts Committee ( Status of Gariep Local Municipalities Finances and remedies	Implemented
8. Minutes of Municipal Accounts Committee	Implemented
9. Determination of upper limits for councilors	Implemented
10. Lease of the Old Market Building by Department of Public Works	Partially implemented
11. Training & Development Report	Implemented
12. Draft Annual Report	Implemented
13. Annual Report 2011 /2012	Implemented
14. Approval of Mid Term Performance Report	Implemented
15. Minutes of Ordinary Council	Implemented
16. Minutes of the MPAC Meeting	Implemented
17. Minutes of the MPAC Meeting	Implemented
18. Minutes of the MPAC Meeting	Implemented
19. Minutes of Human Resource and Finance Committee	Implemented
20. Minutes of Ordinary Council Meeting	Implemented

# Chapter 2

21. Minutes of the special council meeting	Implemented
22. Determination of the upper limits	Implemented
23. Approval of the adjustment budget	Implemented
24. Minutes of the Council Meeting	Implemented
25. Minutes of the MPAC Meeting	Implemented

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality. The following departments have been established to perform administrative functions of the municipality.

1. The office of the Municipal Manager
2. Budget & Treasury Office
3. Community Services
4. Technical Service.
5. Corporate Support

The role of the municipal administration has been to uphold these values to realize the vision of the municipality, maintenance of high standard of professionalism, efficient, economic and effective use of resources, development oriented, impartial, fair, equitable and unbiased and responsive to the needs of the community, establishment of clear responsibilities and facilitate cooperation between community and Council and align roles and responsibilities of its political structures.

Other functions include

1. Overall management of the municipality
2. Rendering of community services
3. Rendering of engineering services
4. Rendering of budget and Treasury Duties
5. Provision of assistance to the office of the Mayor

T.2.2.1

# Chapter 2



## TOP ADMINISTRATIVE STRUCTURE

### MUNICIPAL MANAGER

(Mr. TA Mawonga)

Overall Administration  
(See above)  
Community Participation ,  
Communication and Customer  
Care  
IDP & Performance  
Management.  
ICT  
Risk Management &  
Compliance.  
Local Economic Development



### CHIEF FINANCIAL OFFICER

(Mr. ML Mosala) Resigned on the 31/10/2014

In terms of Sec 81(1)(a) of the  
MFMA the CFO is  
administratively in charge of  
Budget & Treasury Office.  
SCM, Asset Management,  
Revenue & Income,  
Expenditure Management &  
Reporting, Contract  
Management. Implement  
Financial Reforms

### Vacant : COMMUNITY SERVICES

The incumbent resigned on 31/05/2014

Environmental Management  
Waste Management  
Parks & Gardens  
Cemeteries  
Amenities & Recreational  
Facilities  
Burgersdorp Thusong Service  
Centre

### VACANT: CORPORAT SUPPORT DIRECTOR

Human Resource Management  
Human Resource Development  
Labour Relations & Skills  
Development

# Chapter 2

**Mr Z Nongeni : TECHNICAL SERVICES  
DIRECTOR**

Engineering Services

**Appointed 08/12/2014**

Electricity Management  
Roads & Storm Water  
Management.  
EPWP implementation.

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41. This act of Parliament provides for the structures and institutions to promote and facilitate intergovernmental relations.

To avoid duplication the Municipality currently participates and utilizes currently existing structures in Joe Gqabi District Municipality institutional mechanisms which seem to be enjoying stability. Gariep is a member of all four IGR Technical Task Teams as mandated by the Intergovernmental Framework (IGR) including sector departments that service the area in order to achieve shared understanding of the municipal development projects and ensure alignment. These fall in the category of Governance, Infrastructure, Local Economic Development, safety and security, social needs and finance cluster. Amongst the structures in use the Mayor and the Municipal Manager participate in the District Mayoral Forum (DIMAUFU).

All the three spheres of government cooperate and work together to secure the wellbeing of the people of Gariep Local Municipality, provide effective, transparent, accountable and coherent government whilst they exercise their powers or function except for those conferred to them by the constitution. They cooperate with one another in mutual trust and good faith by fostering friendly relations.

The municipality enjoys the support of representatives consistently held in all four quarters, political outreaches; community based planning annually, focus groups per service category. There are also individual engagements with sector departments in pursuance of national and provincial priorities e.g. Operation Clean Audit, Local Government Turnaround Strategy, Municipal Infrastructure Support Agency. Institutionally there is IDP & Budget Steering Committee which has a responsibility to ensure that budget parameters are set and met and these functions are also supported by Treasury Provincially and District level.

*T 2.3.0*

# Chapter 2

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

The Speaker of Council is the elected chairperson of the Council in terms of Section 160 (1) (b) of the Constitution and Section 36 of the Municipal Systems Act (MSA). The main role of the Speaker is to provide strategic leadership and management for the Municipality and to manage regulatory compliance and improve operational efficiency. The office has set links between the community and the municipality. Gariep LM is known for its highly entrenched culture of public participation. In keeping with its tradition, the speaker has done reasonably well to involve ward committees in Community Based Planning, IDP, Budget preparations and other policy formulation processes. As a result most of the wards developed Community Based Plans which ultimately find their expression in the IDP priorities'.

*T 2.4.0*

## 2.4 PUBLIC MEETINGS

### COMMUNICATION, PARTICIPATION AND FORUMS

Public participation is an institutionalised function of the Municipality. Gariep is renowned for exercising annually importance of community based participation. Since the inception of Community Based Planning in the early 2000, public participation has become the demand of nature to the municipality. The communities have learnt to appreciate the elaborative process which ensures that all interested residents are afforded ample opportunity to make meaningful contributions to policy developments in the municipal jurisdiction.

The municipality, through the Office of the Speaker, liaises continuously with communities through the ward councillors, ward committee members and other stakeholder forums. In order to facilitate maximum participation by ward committee members, the process of providing stipend to the ward committees is underway. These are functioning pretty well in four of the five wards; reports are progressively submitted although consistency in this matter is a challenge. Stakeholders forums with business and professionals Communities are also enjoyed where in all the needs are expressed. The municipality is conscious to the fact that good governance is the accountability to the community and other stakeholders. Public involvement is vital in municipal decision making and planning processes as a result in the year under review these processes were followed

Mayoral outreaches (Annual performance feedback meetings)

IDP / Budget interactive sessions with the community and stakeholders

Ward Committee meetings

# Chapter 2

Ward Public Meetings  
Community Based Planning initiatives  
Sector specific meetings held.

*T 2.4.1*

# Chapter 2

## WARD COMMITTEES

T 2.4.2

### WARD COMMITTEES

Ward Committee Policy and Communication Strategy Policy were work shopped and approved by Council. Immediately after the elections of 18 May 2011 Gariep Local Municipality ensured the ward committees exist in all its five wards. Since then the municipality has enjoyed a functional ward committee system, suffice to report that ward 3 has experienced some challenges and at the center is caused by the demarcation. There is also a policy in place pertaining to the functionality and conduct of the ward committees

Functionality of Ward Committee					
Ward Name (Number)	Name of ward Councillor and elected Ward Committee member	Committee established (Yes / No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to speaker office on time	Number of quarterly public ward meetings held during the year
Ward 5	Councillor: BS Kolasi;  Ward Committee Members:  1. Mzoxolo Nkohla 2. John Adams 3. Karabo Koloba 4. Mandisa Mpoba 5. Victor Bokuva 6. Vukile Poyo 7. Mandisa Beya 8. Nombuzo Phaliso 9. Homti Ntlondi 10. Nanziwe Zazini	Yes	06	06	02
Ward 4	Councillor: B Khweyiya;  Ward committee Members:  1. Mzimkhulu Mabala 2. Kenny Geza 3. Mbuyiselo Ntsomi 4. Siyabulela Mpande 5. Bulelwa Ngoqo 6. Mavuyelile Solani 7. Burn Godfrey 8. Nomntu Goxo 9. H. Solani	Yes	07	05	02



# Chapter 2

Ward 3	Councillor: M Van Zyl;  Ward Committee Members:  1. Roy Abrahams 2. Kevin BreManny 3. Hennie Lamprecht 4. George Putter 5. Weston Luvatsha 6. Ntombizanele Jaza 7. Dennis Radford 8. Simamkele Kula 9. Jaco Cloete 10. Lira Moleko	Yes	0	0	0
Ward 2	Councillor: NNT Kula;  Ward Committee Members:  1. Vuyo Makulwane 2. Yandiswa Zweni 3. Nomfundo Diza 4. Jennet Sindelo 5. Sophie Ndumiso 6. Bennet Gxekwa 7. Jantjies Futshane	Yes	06	04	03
Ward 1	Councillor: MK Mnyombolo;  Ward Committee Members:  1. King Badisa 2. Helen Cary 3. Kuhn 4. Dintie Gxalaba 5. Mr Thompson 6. Mr Cingci 7. Mr Mxolisi May 8. Mrs N Mangali 9. Mr Z Mbeka 10. Mr M Lecodeour	Yes	08	06	08

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The ward committee system is functioning well at Gariep in terms of sitting although execution of some plans and resolutions and feedback loop remains a challenge. This process allows for proper mutual set of objectives for specific wards and equal understanding of the challenges and what needs to be done. Community involvement in the affairs of the municipality is encouraged and feedback channels of what are the challenges pertaining to specific goals. These can be highlighted as major achievements in the past two years

# Chapter 2

1. Functionality of ward committees in the entire municipality.
2. Training and induction of Ward committees
3. Public Participation Policy

T 2.4.3.1

## 2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

T 2.5.1

# Chapter 2

## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

A municipality is expected to structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community, and participate in national and provincial development programmes. If a municipality is able to achieve the local government objectives consistently, within its financial and administrative capacity, it can well be defined as functional and well performing Municipality. Gariep Local Municipality has tried with its resource constraints to adhere to the Municipal Systems Act specifically Section 51 by having a structure that is responsive to the needs of the community and facilitated a culture of public service and accountability to the staff, performance oriented and focussed on the objectives of local government. Efforts have been made to ensure that the political structures, political office bearers and managers and other staff members align their roles and responsibilities with the priorities of the municipality.

T 2.6.0

## 2.6 RISK MANAGEMENT

### RISK MANAGEMENT

MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management. Gariep Local Municipality has a fully functional Risk Management Committee with a well-defined process set to identify, manage, treat, reduce and monitor risks in order for the institution to achieve its planned objectives. The committee has a Risk Management Policy which was developed in 2009/2010 and has since been reviewed and adopted by Council by 2014 June. There has since been a dedicated Chief Risk Manager working with the committee. This has enjoined the municipality with an opportunity to reduce the uncertainty of any event occurring that could have adverse effect on the achievement of the objectives of the municipality. The role of the Risk Management Section has been to:

To conduct a risk assessment; align risk management to all municipal strategies, develop risk management plan that is aligned to the risk register and risk management framework and lastly develop action plans for each risk identified and ensure reporting as such. This process requires the municipality to identify top ten (10) risks which can be presented as follows

1. Threatening going concern
2. Inability to license landfill sites.
3. Noncompliance with legislations and regulations
4. Poor performance.
5. Ineffective contract management
6. Inability to manage electricity distribution losses
7. Incorrect Fixed asset register
8. Nonpayment of third parties
9. Shortage of service delivery vehicles
- 10 Insufficient communications between the municipality and its customers.

## 2.7 ANTI-CORRUPTION AND FRAUD

### FRAUD AND ANTI-CORRUPTION STRATEGY

See Chapter 4 details of Disciplinary Action taken on cases of financial mismanagement (T 4.3.6). MSA 2000 s 83 (c) requires service providers to be chosen through a process which minimizes the possibility of fraud and corruption.

The municipality developed a Fraud Prevention Plan with Council Resolution number 24/2011. The plan was developed in accordance to Local Government Anti-Corruption Strategy. This is developed to fight fraudulent behaviours within the Municipality. It is also intended to assist in preventing, detecting, investigating and sanctioning fraud and corruption. Awareness campaigns took place within the organisation. Draft Gifts and Rewards Policy was developed. Procedure Manual on irregular, unauthorized and fruitless and Wasteful expenditure has since been presented for management consideration although not approved as yet. No cases of fraud were reported in this reporting period.

The Municipality has a functional Audit Committee that sits as per the schedule of meetings. Members of Audit Committee are dedicated with different specialization. These committees advise the council on oversight issues .

T 2.7.1

## 2.8 SUPPLY CHAIN MANAGEMENT

### OVERVIEW SUPPLY CHAIN MANAGEMENT

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The municipality is in possession of Supply Chain Management Policy which is in line with the Supply Chain Regulations, no office bearers participate in any of the SCM processes. There are three bid committees which were appointed procedurally by the Accounting officer with different segregation duties. Gariep Local Municipality being a municipality with few economic activities presents with few suppliers which poses a challenge in following these regulations as according to Section 112 of the MFMA and SCM implementation checklist

**Appendix H** presents shortfalls and remedial actions

Expenditure Section

# Chapter 2

Segregation of duties on payment procedures and approvals has been made through the financial delegations. These can only be made by two officials (managers) for the payment to be effected. Internal audit services were outsourced and their plan has been in accordance with section 165 of the Local Government: Municipal Finance Management Act.

*T 2.8.1*

## 2.9 BY-LAWS

### COMMENT ON BY-LAWS:

Note: MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

The municipality possesses the same by laws reported in the previous year's annual report and they have since been adopted by council and are awaiting promulgation by the MEC. Process suggesting institutional arrangements are underway focusing on recruitment and secondment of staff together with development of standard operating procedure for ease of the process.

*T 2.9.1.1*

# Chapter 2

## 2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	March 2015
All current budget-related policies	Yes	June 2015
The previous annual report (Year -1)	Yes	March 2015
The annual report (Year 0) published/to be published	Yes	Jan 2015
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	No	
All service delivery agreements (Year 0)	No	
All long-term borrowing contracts (Year 0)	No	
All supply chain management contracts above a prescribed value (give value) for Year 0	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	No	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in Year 0	None	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	No	
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		
T 2.10.1		

### COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

Local Government: Municipal Finance Management Act section 75 requires of municipalities to establish and maintain websites as vehicle for public to access relevant information, and to serve as tool for community participation, improving stakeholder involvement and facilitate stakeholder monitoring and evaluation of municipal activities. Gariep Local Municipality has also strived to meet this objective by complying with the set criteria. There has since been a dedicated employee assigned with this responsibility although difficulties are still experienced with adherence of timelines for uploading information internally.

T 2.10.1.1

# Chapter 2

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

### PUBLIC SATISFCATION LEVELS

Since the municipality did not have a warm body in this position, the municipality has since received some critics in the section however that is changing as our website is being marketed and updated timeously. The information put in the website was old and we are improving as some people get adverts through our website. It is also important to indicate that the communities that we service do not access the website as they do not match with the current standard of technology only few community members can access our website

T 2.11.1

Concerning T 2.11.2:

*The Municipality did not conduct any survey this year, we depend on the other departments however the municipality had a Community Based Planning where the Municipal services were rated between low and High and fortunately the communities rated the service to high which means that the communities still place their hopes into the municipality.*

T 2.11.2.1

### COMMENT ON SATISFACTION LEVELS:

The Municipality is well vested with the knowledge that, its existence is dependent on the people of Gariep. It is also aware that it is expected to render service delivery speedy, efficient and effective and this has been evident in the Mayoral Outreaches. The municipality introduced a customer care service unit with two officials in 2013 wherein all complaints are registered and attended within reasonable time as according to the service standards. The introduction of this unit has improved relationship between the institution and the community as communities know where to go when problems arises however the unit still needs to be marketed and capacitated. Presidential Hotline services are as conceptualised by the President are also in place. The last report to date presents the Municipality as standing at 99% on all matters raised.

T 2.11.2.2

# Chapter 3

## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION	
<b>Institutional Transformation and Organizational Development</b>	Many critical and strategic vacancies were not filled and the municipality could not implement its plans to the level where it was expecting itself, the reason being that of delays by MEC to allow appointments of Director as a result the municipality appointed acting directors for more than a year. Massive trainings were implemented especially with the office bearers. The municipality has closely complied with MFMA section 73
<b>Basic Service Delivery and Infrastructure</b>	<p><b>Water and Sanitation</b> : This function has been handed over to District Municipality as it is their function however the service is above RDP standard in the entire Municipality, this can be confirmed by STATS SA 2011.</p> <p><b>Roads and Storm Water</b> : Continuous upgrade of service delivery infrastructure  Completion of access road and storm water of Khayamnandi in Steynsburg  Completion of interconnection in Mzamomhle in Burgersdorp  Starting of Thembisa Bus route in Burgersdorp</p> <p><b>Electricity Distribution</b>  Installation of new electricity connection  Replacement of faulty electricity meters  Prepaid meter replacement and installation  Handling of outages  Disconnection implemented  New bulk meters installed in business places and department  This service is available to a 98% of households in the greater Municipality</p> <p><b>Human settlement</b>  Beneficiary registration  Rectification of houses  Middle Income Housing Project feasibility study and Implementation  Restoration of houses destroyed by disaster  Parks , Gardens and Street Cleansing Services  Library Services  Cleaning of illegal dumping sites in all three towns</p>
<b>Local Economic Development</b>	Establishment of LED Structures SMME Support Creation of partnerships
T 3.0.1	



# Chapter 3

## COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

### INTRODUCTION TO BASIC SERVICES

The brief socio economic profile of the municipality given above as well as the picture on financial challenges extensively discussed at chapter five together with the institutional arrangements in chapter 4 will provide a proper context for the performance information that follows per service. Moreover, the service delivery statistics from the census 2011 should be encouraging to citizens residing within the municipality. The statistics make a clear case of performance that is head and shoulder above peers

*T 3.1.0*

# Chapter 3

## 3.1. WATER PROVISION

### INTRODUCTION TO WATER PROVISION

*Annual Report of 2012/2013 reported that the municipality was in a process of handing over this function to the District Municipality and this has happened and therefore Gariep Local Municipality will not report on water and sanitation.*

*T. 3.1.*

# Chapter 3

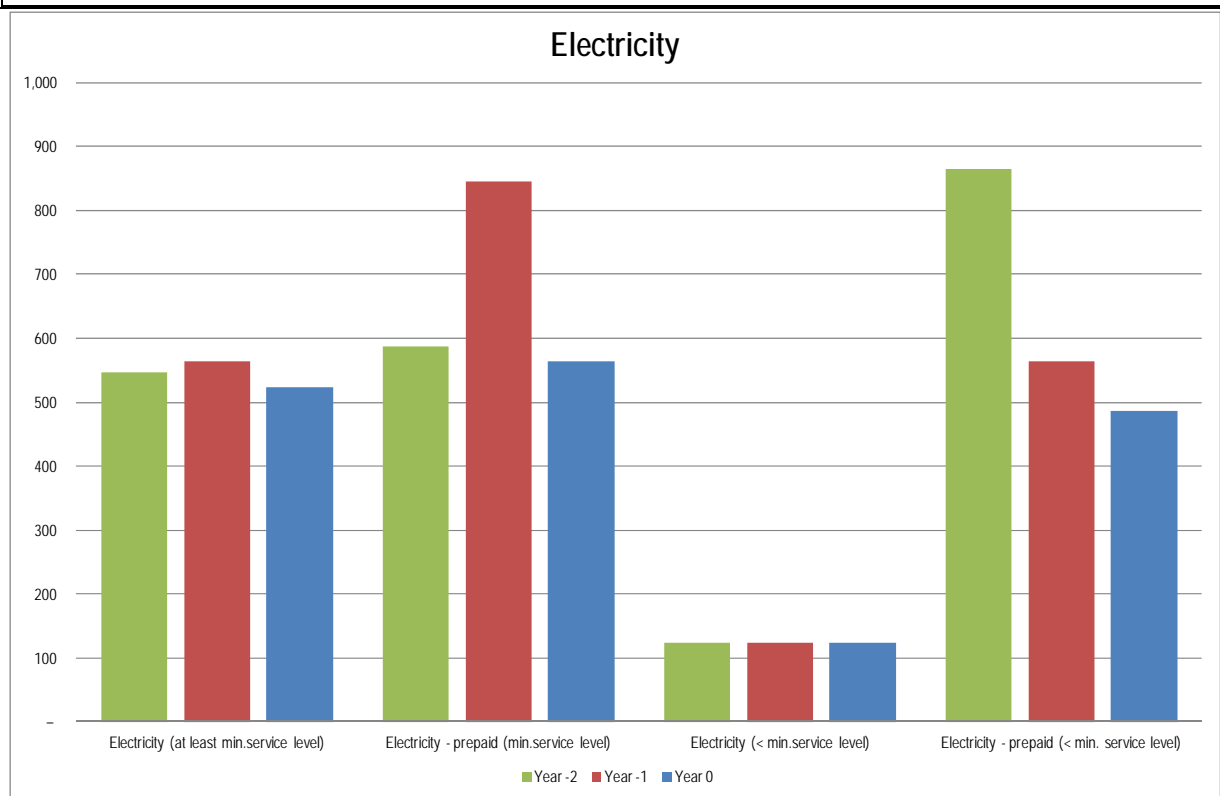
## ELECTRICITY

### INTRODUCTION TO ELECTRICITY

*Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.*

*This is of the strong pillars of the municipality in meeting the basic needs of the community as there are few households without electricity in the area. The Municipality is sitting at 97% of households with electricity and this is confirmed by the survey conducted by STATS SA 2011, However the infrastructure need to be upgraded to sustain this achievement*

T 3.3.1



T 3.3.2

# Chapter 3

Electricity Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Energy: (above minimum level)</u></b>				
Electricity (at least min.service level)	655	547	565	523
Electricity - prepaid (min.service level)	565	587	846	565
<i>Minimum Service Level and Above sub-total</i>	1,220	1,134	1,411	1,088
<i>Minimum Service Level and Above Percentage</i>	52.8%	52.8%	66.3%	62.1%
<b><u>Energy: (below minimum level)</u></b>				
Electricity (< min.service level)	112	123	124	124
Electricity - prepaid (< min. service level)	955	865	565	487
Other energy sources	24	26	28	54
<i>Below Minimum Service Level sub-total</i>	1,091	1,014	717	664
<i>Below Minimum Service Level Percentage</i>	47.2%	47.2%	33.7%	37.9%
<b>Total number of households</b>	2,310	2,147	2,127	1,753
				<i>T 3.3.3</i>

Households - Electricity Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Households Year 0		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households below minimum service level	25,000	25,000	25,000	25,000	25,000	25,000
Proportion of households below minimum service level	25%	25%	25%	25%	25%	25%
<b>Informal Settlements</b>						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households ts below minimum service level	25,000	25,000	25,000	25,000	25,000	25,000
Proportion of households ts below minimum service level	25%	25%	25%	25%	25%	25%
						<i>T 3.3.4</i>

# Chapter 3

Electricity Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households Year 0
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<b><u>Energy: (above minimum level)</u></b>				
Electricity (at least min.service level)	96	96	96	96
Electricity - prepaid (in-service level)	1089	1089	1089	1089
<i>Minimum Service Level and Above sub-total</i>	1185	1185	1185	1185
<i>Minimum Service Level and Above Percentage</i>	99.3%	99.2%	99.0%	96.9%
<b><u>Energy: (below minimum level)</u></b>				
Electricity (< min.service level)	–	–	–	–
Electricity - prepaid (< min. service level)	1080	1080	1080	1080
Other energy sources	24	26	28	54
<i>Below Minimum Service Level sub-total</i>	1104	1106	1108	1134
<i>Below Minimum Service Level Percentage</i>	92.5%	92.6%	92.6%	92.7%
<b>Total number of households</b>	1193	1195	1197	1223
<i>T 3.3.3</i>				

# Chapter 3

Households - Electricity Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
Total households	1193	1195	1197	2306735	–	2935365
Households below minimum service level	1193	1195	1197		–	
Proportion of households below minimum service level	100%	100%	100%	0%	#DIV/0!	0%
<b>Informal Settlements</b>						
Total households	–	–	–	–	–	–
Households its below minimum service level	–	–	–	–	–	–
Proportion of households its below minimum service level	-	-	-	-	-	-
<i>T 3.3.4</i>						

## COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The area of Gariep Local Municipality is divided into two sections; there are households that are being supplied by Eskom and others by Gariep Local Municipality. The main reason for this strategy related to license that was handed over to Eskom due to unavailability of capacity back then. Out of 9770 households only 3591 are supplied by Eskom. This pose a major challenge for the municipality since electricity is utilised as a leverage for collection of outstanding debts on services and rates. The high level of electricity service is being provided by Eskom to all its consumers and also the standard of service is also high, except the issue of selling points that are not sufficient. The municipality is also doing very well in terms of levels of service and standards except for the old infrastructure that needs to be upgraded to the acceptable standard. Processes of acquiring electricity vendors are underway although SPA is contracted for this provision currently.

# Chapter 3

Challenges experienced can be presented as follows

Unavailability of electricity vendors

Electricity distribution to all households in the municipality

Recruitment strategy for rear skills, especially technical skills

Training on meter reading

Street/high mass light maintenance

Curbing electricity losses both technical and non-technical

Technical being losses basically caused by network that is not well maintained.

Non-Technical losses are mainly on tempering, direct connected supply, incorrect meter reading, incorrect data information, unregistered meters, electricity theft, electricity cables theft

*T 3.3.9*

# Chapter 3

## 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

### INTRODUCTION TO WASTE MANAGEMENT

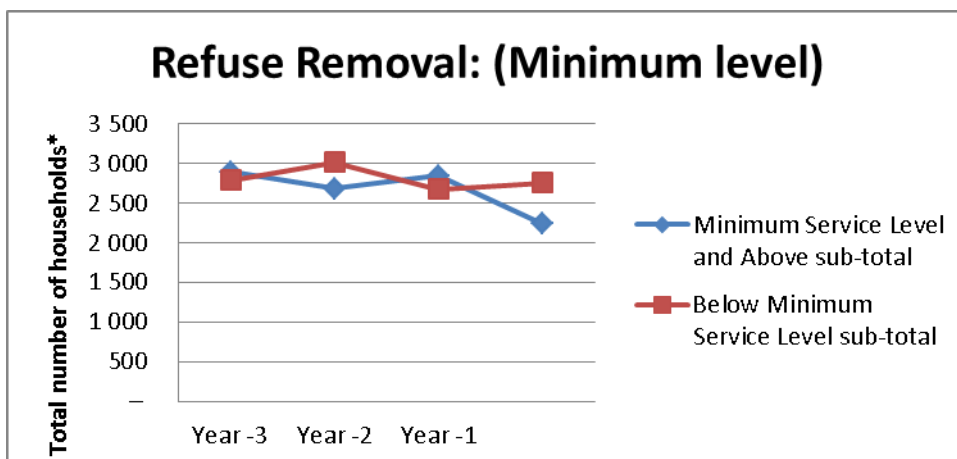
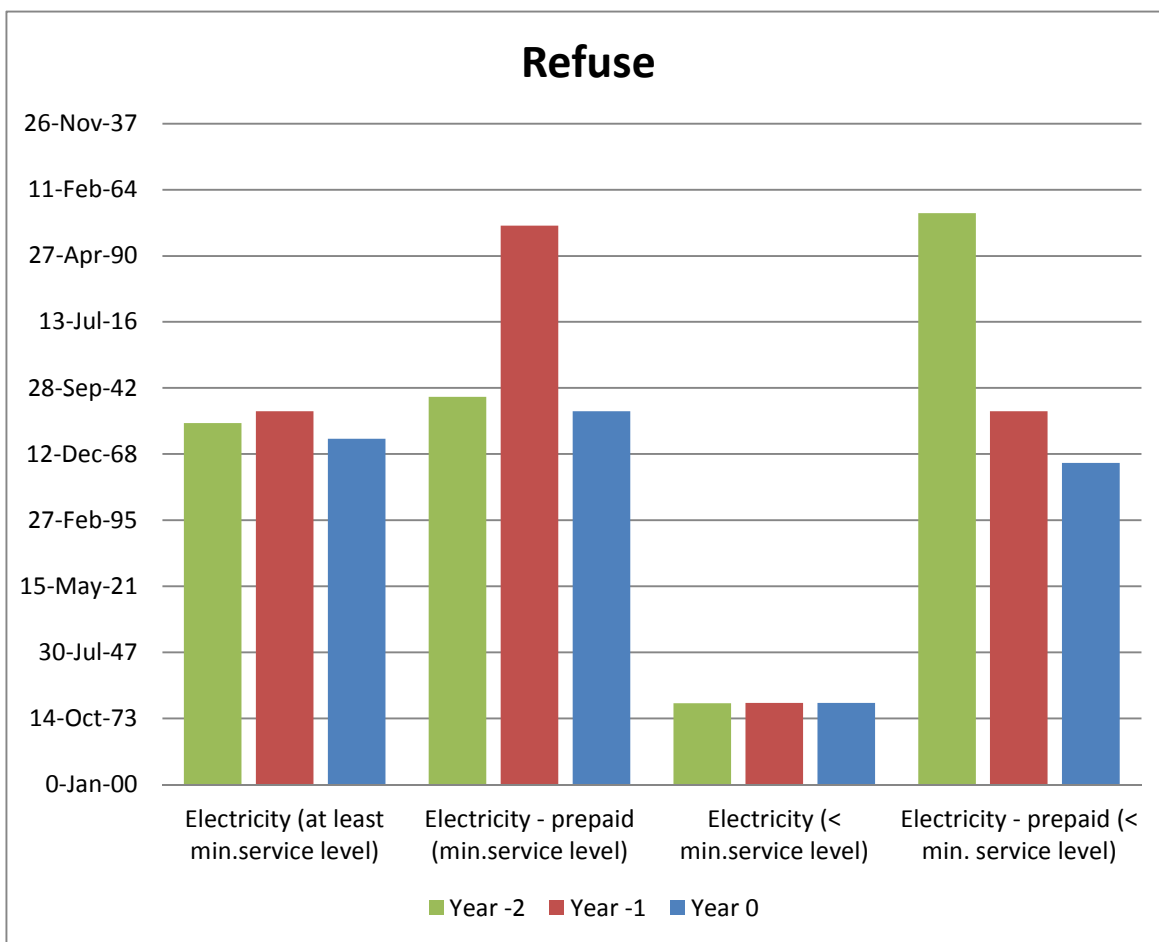
Gariep Local Municipality in exercising its executive authority to deliver waste management activities according to section 9(1) of National Environmental Management: Waste Management Act, 2008 focuses on waste removal, (Collection and Transportation), street cleansing and waste disposal services relatively in compliance with National and PROVINCIAL Norms and Standards. The other focus area include inter alia management of landfill sites, combating illegal dumping, creation of awareness and education on waste management and lastly recycling although still on a small scale. The municipality has not reached the stage of separating neither avoidance and compacting of waste as contemplated in subsection 1 of the said act, for now waste is disposed of in the municipal landfill sites. The municipality intends promulgating by-laws through the MEC for Cogta.

T 3.4.1

Solid Waste Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Solid Waste Removal:</u> (Minimum level)</b>				
Removed at least once a week	10	10	10	10
<i>Minimum Service Level and Above sub-total</i>	10	10	10	10
<i>Minimum Service Level and Above percentage</i>	100.0%	100.0%	100.0%	1.1%
<b><u>Solid Waste Removal:</u> (Below minimum level)</b>				
Removed less frequently than once a week	–	–	–	–
Using communal refuse dump	–	–	–	–
Using own refuse dump	–	–	–	–
Other rubbish disposal	–	–	898	901
No rubbish disposal	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	901
<i>Below Minimum Service Level percentage</i>	0.0%	0.0%	0.0%	98.9%
<b>Total number of households</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>911</b>
T 3.4.2				



# Chapter 3



# Chapter 3

Households						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
Total households	10	10	10	10	–	10
Households below minimum service level	7	7	7	7	7	8
Proportion of households below minimum service level	75%	75%	75%	75%	%	80%
<b>Informal Settlements</b>						
Total households	–	–	–	–	–	–
Households ts below minimum service level	–	–	–	–	–	–
Proportion of households ts below minimum service level	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
<i>T 3.4.3</i>						

# Chapter 3

PROGRAMME : WASTE DISPOSAL & PARKS & GARDENS							
IDP OBJECTIVE	PROGRAM NO	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ACTUAL PERFORMANCE	MEANS OF VERIFICATION	REASONS FOR VARIANCE	CORRECTIVE ACTION
To provide access to sustainable basic services to the community		Facilitation of Closure Permit for the old Burgersdorp Landfill site	Obtain Closure Permit by 2014	Achieved	Permit from the Department	None	None
		Creation of an aesthetically acceptable environment	15 illegal dumping Sites Closed	Achieved	Quarterly assessment reports indicate 3/10 incident reduction	None	None
			At least two shifts per day	100%	Cleaning schedules monitored and signed off by the HOD	None	None
		Frequency of street cleaning of all municipal offices	dailey	100%	Cleaning schedules monitored and signed off by the HOD	None	None
			20%	100%		None	None
		No of service standardss for refuse collection and cleansing of open spaces developed	1 campaign per unit per annum	100% acheived	Attendance register, photos	None	None

# Chapter 3

Employees: Solid Waste Disposal Management & Waste Disposal and Other Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-2	41	45	36	30	9%
3-7	7	8	7	0	1%
8-12	4	4	4	0	0
Total	52	57	47	30	10%
T3.4.6					

Financial Performance Year 0: Solid Waste Management Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
T 3.4.7					

# Chapter 3

Employees: Waste Disposal and Other Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.4.6

Financial Performance Year 0: Solid Waste Management Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

T 3.4.7

Financial Performance Year 0: Waste Disposal and Other Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	14942467	13434252	14763923	14061007	4%
Expenditure:					
Employees	3142932	4088706	4293142	3164285	-29%

# Chapter 3

Repairs and Maintenance	189846	192821	192821	65304	-195%
Other	2879958	5989927	4975427	1794624	-234%
<b>Total Operational Expenditure</b>	<b>6212736</b>	<b>10271454</b>	<b>9461390</b>	<b>5024213</b>	<b>-104%</b>
<b>Net Operational Expenditure</b>	<b>-8729731</b>	<b>-3162798</b>	<b>-5302533</b>	<b>-9036794</b>	<b>65%</b>
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.4.8					

Capital Expenditure Year 0: Waste Management Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.4.9

# Chapter 3

## 3.5 HOUSING

### INTRODUCTION TO HOUSING

Housing is a function of Housing and Human Settlement, our responsibility as a Local Municipality is as follows:

Gariep Local Municipality focuses on beneficiary administration in an effort to complement the Department of Human Settlement. Registering the projects for implementation in the Integrated Development Plan, availing land for development and confirmation for the availability of bulk infrastructure to support the development also rests with the municipality. The municipality has a fully-fledged unit headed by the Manager Human Settlement and Land use with one senior housing officer and three housing officers.

*T 3.4.10*

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year -3	9770	9770	100%
Year -2	9770	9770	100%
Year -1	9770	9770	100%
Year 0	9770	9770	100%
<i>T 3.5.1</i>			

# Chapter 3

PROGRAMME : HUMAN SETTLEMENT & LANDUSE							
IDP OBJECTIVE	PROGRAM NO	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ACTUAL PERFORMANCE	MEANS OF VERIFICATION	REASONS FOR VARIANCE	CORRECTIVE ACTION
To provide access to sustainable basic services to the communities		Number of beneficiaries identified; Number of Service connections by 2014	85 units	Partially achieved	Council minutes	This project is done by Jogeda	To influence Jogeda to speed up the process
		Transfer of ownership of houses (pre 1994 housing stock)	All houses in Gariep by end June 2014	85 % Achieved	Coppies of Tittle Deeds	None availability of Staff	



# Chapter 3

Employees: Housing Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					
T 3.5.4					

Financial Performance Year 0: Housing Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.5.5					

Capital Expenditure Year 0: Housing Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	53 612.00.00	0	35 888 710.00	67%	
Burgersdorp 140 units	8508 980 00	0	8229 398	97%	8508 980.00
Steynsburg 530 houses	45 103 699. 00	0	27 589 312	61%	45 103 699.00
The above listed projects were implemented by Department of Human Settlement					

# Chapter 3

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.*

*T 3.5.6*

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

**The above table represented performance achieved for the reporting year.**

*T 3.5.7*

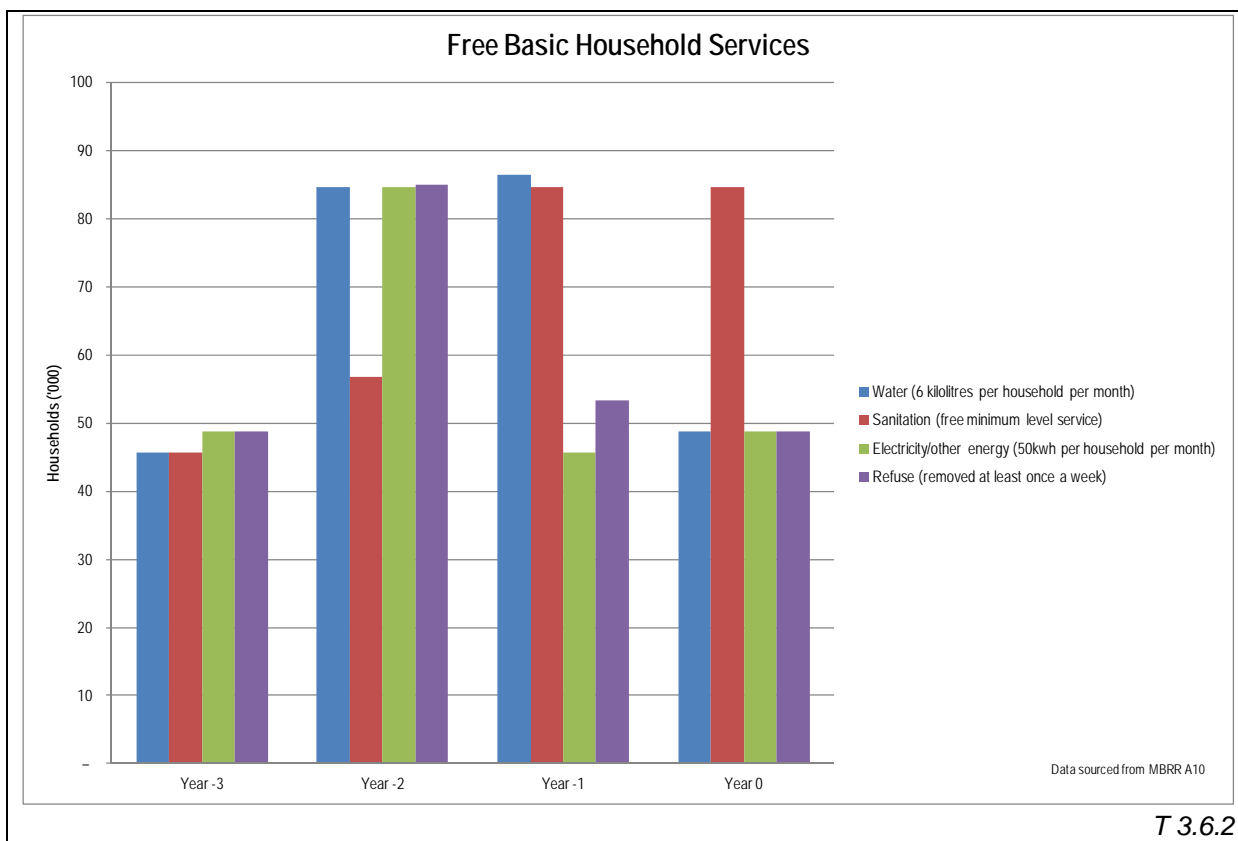
## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

An updated indigent register is in place and updated annually, listing all households that qualify for subsidy and has since been approved for the year ended June 2014. The appointment of an FBS Coordinator in 2014 is bringing positive fruits for the Municipality. Door to door campaign with the aid of councillors was implemented led by the FBS Coordinator. This policy was approved together with all other finance policies in June 2013.

*T 3.6.1*

# Chapter 3



Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R2,500 per month								
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse		
		Total	Access	%	Access	%	Access	%	Access	%
Year -2	12 194	12 194	5 644	46%	5 644	46%	5 644	46%	5 644	46%
Year -1	12 194	12 194	5 644	46%	5 644	46%	5 644	46%	5 644	46%
Year 0	12 194	12 194	5 644	46%	5 644	46%	5 644	46%	5 644	46%

Financial Performance Year 0: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year -1	Year 0			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	200	244	250	248	2%
Waste Water (Sanitation)	220	240	250	245	2%
Electricity	100	120	130	135	11%
Waste Management (Solid Waste)	105	110	120	125	12%
Total	625	714	750	753	5%

**T 3.6.4**

# Chapter 3

## COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

*The Municipality has a high indigency rate and that is caused by the fact that almost 69% of households depend on grants. The municipality is annually conducting a door to door campaign where young people are given a casual employment to register households that are indigent*

T 3.6.6

## COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (storm water drainage).

### INTRODUCTION TO ROADS & STORM WATER

Gariep Local Municipality has its own powers and Functions. One of the functions of the local authority is to ensure that roads which belong to the municipality are properly maintained. As from 2008 until 2014 the municipality has ensured that all the grant funding will be utilised in upgrading existing roads. The municipality has embarked on the programme of ensuring that all the access roads that are within the jurisdiction of the Municipality are paved with Pave Blocks. This is a very high level standard of road construction method with low maintenance guaranteed. A number of work opportunities were created in this process

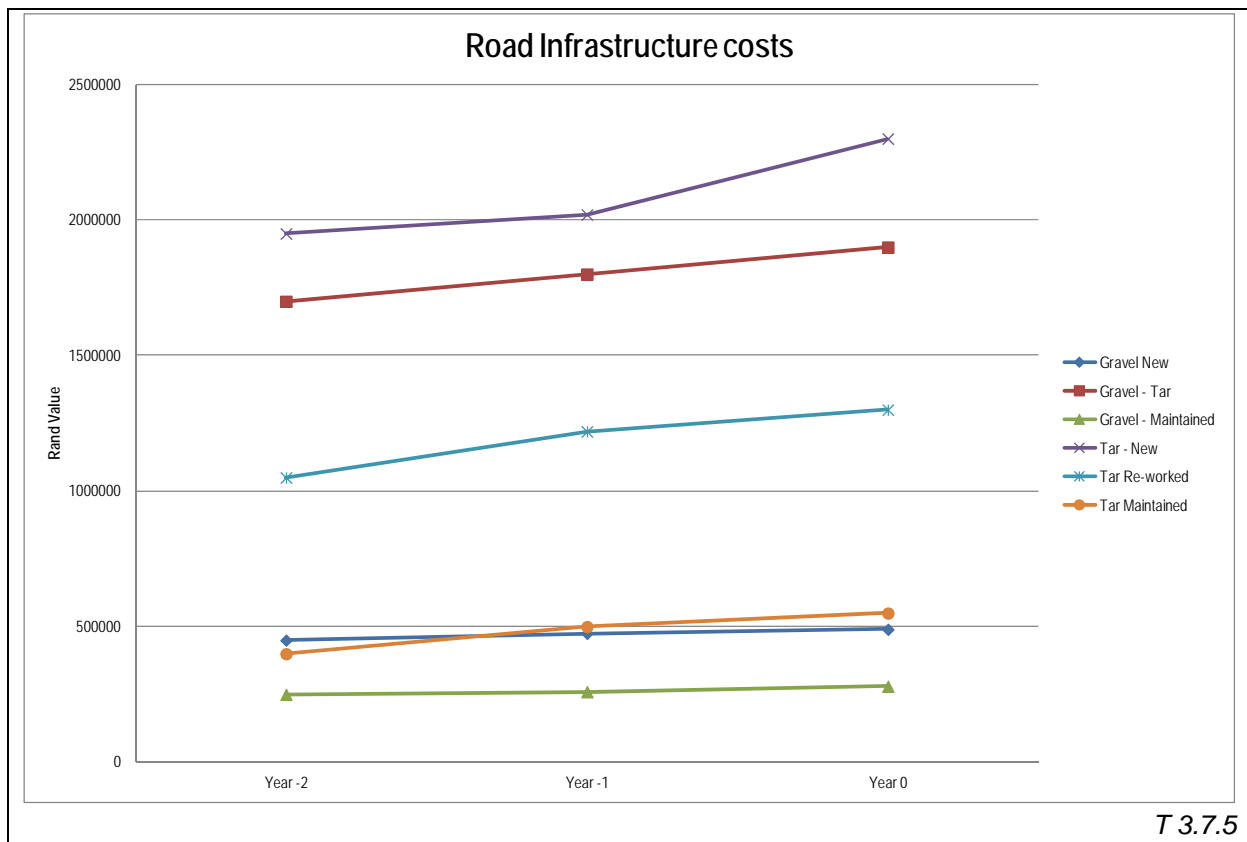
T 3.7

Gravel Road Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometres Gravel roads graded/maintained
Year -2	150,9KM	0	0	150,9km
Year -1	150,9KM	0	0	150,9km
Year 0	150,9KM	0	3KM paved	150,9km

Tarred Road Infrastructure					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Kilometres Tar roads maintained
Year -2	41	0.	0	0	85
Year -1	98	0	0	0	85
Year 0	114	0	0	0	

T 3.7.3

# Chapter 3



# Chapter 3

PROGRAMME : ROADS AND STORM WATER							
IDP OBJECTIVE	PROGRAM NO	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ACTUAL PERFORMANCE	MEANS OF VERIFICATION	REASONS FOR VARIANCE	CORRECTIVE ACTION
To provide access to adequate cost effective sustainable basic services by 2016		Number of access roads and quality drainage acquired by 2014	Well maintained Quality drainage, cleanliness and access roads by July 2014	Achieved	Quartely reports	None	None

# Chapter 3

Employees: Road Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Job Level	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-2	22	28	23	5	28%
3-7	4	4	4	0	4%
7	6	8	6	2	25%
8-12	2	5	2	3	5%
Total	28	37	29	8	37
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					

T3.7.7

Financial Performance Year 0: Road Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 896	24 258	14 258	11 620	-109%
Expenditure:					
Employees	2 635	6 203	6 513	2 672	-132%
Repairs and Maintenance	478	250	549	491	49%
Other	10 824	9 455	3 205	5 605	-69%
Total Operational Expenditure	13 938	15 910	9 269	8 769	-81%
Net Operational Expenditure	12 042	-8 348	-4 989	-2 850	-193%

# Chapter 3

	159	364	137	772	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					<i>T 3.7.8</i>

Financial Performance Year 0: Road Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					<i>T 3.7.8</i>



# Chapter 3

Capital Expenditure Year 0: Road Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					<i>T 3.7.9</i>

## COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

*The Municipality need to put more emphasis on roads as this one of the areas where infrastructure is dilapidated and needs attention however the municipality is currently having a project of access road in Steynsburg and it is the only current project*  
*T.3.7.10*

## 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

### INTRODUCTION TO TRANSPORT

*T 3.8.1*

# Chapter 3

Concerning T 3.8.2

## 3.8 VEHICLE LICENSING

### INTRODUCTION TO VEHICLE LICENSING

The municipality runs a vehicle testing station grade B meaning it can only test light motor vehicles. The equipment at the center requires major calibration and upgrade. There is only one officer assigned a responsibility to test in this station.

*T 3.8.1*

The municipality is not operating any bus service and therefore there is no data available in this regard.

*T 3.8.2.1*

**SEE ATTACHED AUDITED LOCAL GOVERNMENT: MSA, 2000 (ACT NO 32 OF 2000) SECTION 46 REPORT AS ANNEXURE FOR DETAILED ON PREDETERMINED OBJECTIVES**

# Chapter 3

## 3.9 WASTE WATER (STORMWATER DRAINAGE)

### INTRODUCTION TO STORMWATER DRAINAGE

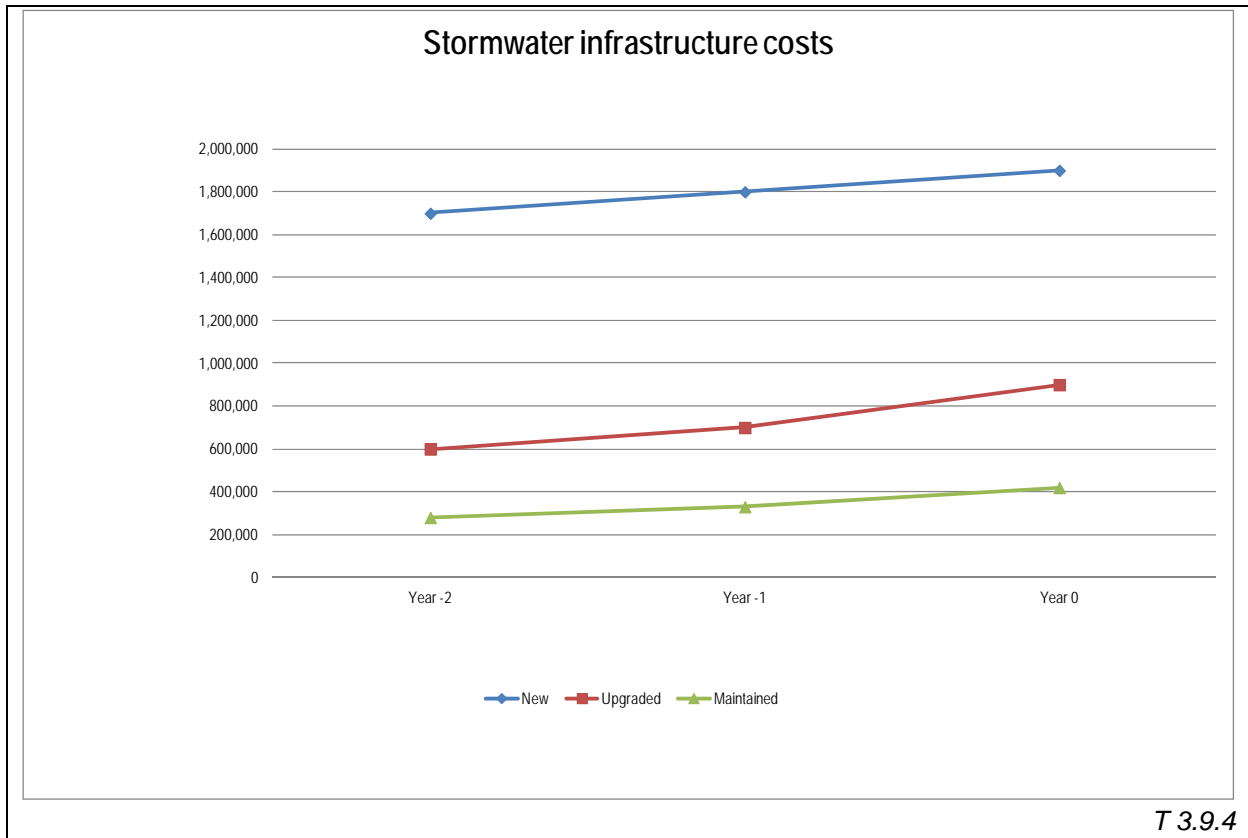
The municipality runs a public works unit consisting of roads, storm water services with only 5 general workers, one driver and a supervisor with nobody possessing a specialised skill in this field. The municipality has performed relatively well in the implementation of its Local Roads Maintenance Plan. Pedestrian walkaways have been provided and roll up kerb ways have been constructed in Venterstad. The municipality is in discussion with the Department of Roads and Public Works together with the district in an attempt to sign a service level agreement for the maintenance of roads and storm water drains.

*T 3.9.1*

Storm water Infrastructure				
	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
Year -2	150km	7km	0	150km
Year -1	150km	7km	0	150km
Year 0	150km		0	150km
				<i>T 3.9.2</i>

Cost of Construction/Maintenance			
	Stormwater Measures		
	New	Upgraded	Maintained
Year -2	1,700,000	600,000	280,000
Year -1	1,800,000	700,000	330,000
Year 0	1,900,000	900,000	420,000
			<i>T 3.9.3</i>

# Chapter 3



# Chapter 3

# Chapter 3

Employees: Stormwater Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

*T 3.9.6*

Financial Performance Year 0: Stormwater Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

*T 3.9.7*

Capital Expenditure Year 0: Stormwater Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

*T 3.9.8*

# Chapter 3

T3.9.9

## COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

### INTRODUCTION TO PLANNING AND DEVELOPMENT

Sector	Backlog	Backlogs Eradicated up to date	Current backlog	Backlog planned to be eradicated	Backlog
Storm water water	142	19	199	9	110

The municipality has a storm water management plan that needs to be reviewed. Currently the plan has been effective and implemented very well by Technical Services as it clear and developed.

T3.9.9

### 3.10 PLANNING

# Chapter 3

## INTRODUCTION TO PLANNING INTRODUCTION TO PLANNING AND DEVELOPMENT

The Spatial Development Framework is the principal instrument for forward planning and decision making on land development in the entire municipal area. Gariep SDF was adopted by Council in August 2008 and the Department of Rural Development and Agrarian Reform has since pledged support to review the document. Prioritised areas of focus include , spatial fragmentation, linkages and District has appointed a service provider to review its SDF that will in reviewing the local SDF and the District has already started the process, this will include your basic need, land use management , coordination of Integrated capacity and planning systems., land availability, sustainable socio economic development , sustainable infrastructure development. The Integrated Development Manager who was assigned to drive this unit has since left, structural changes which include human settlement and land use have since been made with Local Economic development separated from these.

*T 3.10.1*

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	Year -1	Year 0	Year -1	Year 0	Year -1	Year 0
Planning application received	0	1	5	5	28	20
Determination made in year of receipt	0	1	5	5	28	20
Determination made in following year	0	1	5	5	28	20
Applications withdrawn	0	0	4	4	2	3
Applications outstanding at year end	0	0	0	0	0	0

*T 3.10.2*



# Chapter 3

Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	00	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	2	2	1	0	1%
Total	2	2	1	0	1
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p>					
T 3.10.4					

# Chapter 3

Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
					T 3.10.4

Financial Performance Year 0: Planning Services					
					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.10.5

Capital Expenditure Year 0: Planning Services					
					R' 000
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.10.6

# Chapter 3

## 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

### INTRODUCTION TO ECONOMIC DEVELOPMENT

T 3.11.1

### INTRODUCTION TO ECONOMIC DEVELOPMENT

Gariep Local Municipality developed a five year Local Economic Development Plan that clearly outlines the strategic direction envisioned for all stakeholders wishing to support development in the area. The interventions suggested are premised from the following strategic pillars:

- SMME Development and support
- Infrastructure Prioritization
- Institutional Development
- Agriculture and Agro – processing Sector Development
- Tourism Sector Development
- Strategic Partnerships

### IDENTIFIED OBJECTIVES

- Grow the economy by increasing the average economic growth rate to 1.5% between 2010 and 2014, and by 3% year – on year from 2014 onwards
- Increase the Gariep Local Municipality capital expenditure budget for key LED infrastructure; particularly roads, electricity and water by 5% annually.
- Reduce the unemployment by 10% by 2014, through the creation of new and expanded work opportunities.
- By 2010 provide funding for the establishment of an SMME help desk within the Gariep Local Municipality and be operational by 2011.
- Increase the number of positions filled in the community and Technical Services Department at the Gariep Local Municipality by 6% annually between 2009 and 2014
- Ensure that by 2014 at least 10% of total procurement expenditure is spent on local suppliers

### PROJECTS PRIORITIZED FOR IMPLEMENTATION

1. Feasibility study for Agro-processing (i.e. Abattoir, tannery, wool washing and spinning)
2. Lake! Gariep Initiative
3. Grading of accommodation establishment
4. Tourism training and awareness
5. Develop tourism route and attractions
6. Fish farming in Venterstad
7. Road and street maintenance and upgrading
8. Skills retention Strategy
9. Establish and support LED forum

# Chapter 3

## 10. Satellite FET College in Steynsburg

The report presented herein highlights the interventions made by the Municipality in creating a conducive environment for the implementation of Local Economic Development

PROJECTS	2010/2011	2011/12	2012/13
Teebus Resort Feasibility Study	Secured funding of R500,000 from DEDEAT, facilitate the transfer of the first R250 000 from DEDEAT to Gariep L M	Appointment of a service provider and engagement with DWA for the transfer of land ownership	Finalize Feasibility study and continued engagements with DWA. Submitted feasibility study and business plans to potential funders
JL De Bruin Dam Resort	Upgrading and furnishing of two existing chalets, brick paving and construction of guard room.	Construction of one chalet, demolition of a boma; upgrading of the sewer and electrical networks	No progress made
Greening and Town Beautification	Conducted road shows to the 3 towns (consultation and buy-in). Established a PSC and developed TOR's. Advertise for a suitable service provider	Service provider appointed, developed landscaping designs and BOQ's, Implemented the first phase which includes the Burgersdorp Memorial site. Submit a proposal to DEDEAT but was unsuccessful	Engagement of the LTO for a partnership agreement. Submit a proposal to DEDEAT Chris Hani under the Karoo Tourism Forum
Establishment of LED Forum	Convened an inception meeting, developed TOR's and identified key stakeholders	Convened quarterly meeting where all sectors were represented	LED Forum is fully functional and is convened on quarterly basis with the last meeting in October 2012
SMME, Cooperatives and Hawkers Support	Established the SMME help desk and recruitment of SMME Facilitator	Conducted various training sessions, workshops and	

# Chapter 3

		liaise with funders. Register office of CIPC to facilitate the registration of businesses. Develop a database of hawkers, SMME and coops. Facilitate training for hawkers with assistance from EHP from the district municipality. Develop a draft procedure schematic for business licences. Establish relationships with Seda, SARS, ECDC, DEDEAT, and ECPTA, etc- for the provision of technical and financial assistance.	
Agricultural forum	Establishment of Agricultural forum	Convened meetings with emerging farmers, presenting the JGDM's Agricultural sector plan	Convened an inception meeting with all relevant stakeholders, presented status quo, TOR;s and lobby for support
Tourism development and support	Revival of LTO with product owners driving the forum. Held a business plan competition amongst the CTO's, Steynsburg won R25000 for revamping the park and the Heroes	Burgersdorp received 20000 towards the Greening and Town Beautification project (park and	Facilitated registration of the LTO's as non-profit organization and forging of a partnership between the LTO and Gariep L. Provided continuous technical

# Chapter 3

	monument	benches, rubbish bins, painting of bridges).facilitate d training, workshops, grading of establishments, marketing material for Indaba and other tourism events.	support and link with key role players(Government and private sector)for the dissemination of information and to solicit support (financial and otherwise)
Feasibility study for Agro-processing(abattoir )	Conducting a comparative and competitive assessment study and developed the concept note.	Submitted a proposal to DEDEAT's LRED Fund to conduct a feasibility study but was unsuccessful	Engaged ECDC Chris Hani to conduct a feasibility study for abattoir
Development of tourism information centre	A JGDM initiative for tourism development; branding, marketing and promotion. Website development. Route development. Establishment of tourism info centre	Furnish and resource the centre; supported the functions of the centre	Established partnership with JGDM and Burgersdorp Museum in the form of SLA.Began operations in July 2012
District Support Team(IGR Structure with JGDM as the coordinating entity)	Establishment of the structure and conducting of training through Tina Sinako funding	Solicited LED support from DLGTA in the form of appointment of an LED Assistant(3yrs contract)	Functioning of IGR structure; market hub, incubation centre and cooperative support
Sustainable Socio – economic development	Continuous engagements with relevant departments and private sector to facilitate employment creation;EPWP,Infrastructure development	Registered Gariep LM for incentive programmes; conducted labour intensive projects such as the upgrading of amenities, municipal	The municipality role is still crucial until 2014, unless this programme is discontinued.Facilitated workshops and helpdesks with NLB for funding in the categories of sport and recreation and charities. Facilitate and

# Chapter 3

		<p>offices, etc. Assume the role of convenor of the reference group and facilitator of the CWP which provides food security. Home based care and cleaning and maintenance in the area. Established relationships with national Lottery Board and facilitated workshops, helpdesks for funding opportunities in the area for charities. Provided continuous support to charitable organizations</p>	<p>provided technical support to charitable organisations. Implementation of another phase of upgrading of municipal buildings through the EPWP incentive scheme of DRPW</p>

Economic Activity by Sector (EC)			
			R '000
Sector	Year -2	Year -1	Year 0
Agric, forestry and fishing			
Mining and quarrying			
Construction			
Manufacturing			
Wholesale and retail trade			
Finance, property, etc.			
Govt, community and social services			
Infrastructure services			
Total			
			T 3.11.2

# Chapter 3

Economic Employment by Sector			
Sector	Jobs		
	Year 1 No.	Year -1 No.	Year 0 No.
Agric, forestry and fishing	20,000	25,000	30,000
Mining and quarrying	400,000	435,000	372,000
Manufacturing	320,000	300,000	270,000
Wholesale and retail trade	190,000	200,000	210,000
Finance, property, etc.	275,000	255,000	235,000
Govt, community and social services	300,000	310,000	320,000
Infrastructure services	400,000	430,000	450,000
Total	1905000	1955000	1887000
T 3.11.3			

## COMMENT ON LOCAL JOB OPPORTUNITIES:

The Municipality is characterised by agricultural industry in the area even though people working in this sector are under paid. This sector has employed 32% of the community. Most of them have houses in the townships. Tourism is one of the areas that have potential to grow the economy of the area however it needs to be boosted by having budget at the municipality as it is currently assisted by Local government. This will assist the municipality to promote Marketing of the area. The municipality does have street traders but 98% of them are not residing in the area they use the money received in the area of their places and therefore cannot be encouraged. The growth of the smme's in the area needs support as it is driven by local people

T 3.11.4

Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)		N/A		
Year -2				
Year -1	158	N/A	158	
Year 0	355	N/A	355	
Lyciumville Access Roads (Year 0)	14	N/A	14	Employment contracts & reports
Nozizwe Access Road (Year 0)	29	N/A	29	Employment contracts & reports
Burgersdorp Place of safety (Year 0)	58	N/A	58	Employment contracts & reports
Khayamandi Access Road	123	N/A	123	Employment contracts & reports
T 3.11.5				



# Chapter 3

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
Year -2	1663	1663
Year -1	1761	1761
Year 0	1993	1993
* - <i>Extended Public Works Programme</i>	<i>T 3.11.6</i>	

# Chapter 3

# Chapter 3

Employees: Local Economic Development Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
7 - 9	1	1	0	0	100%
10 - 12	7	1	1	0	0
13 - 15	0	0	0	0	100%
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p>					
T 3.11.8					

Financial Performance Year 0: Local Economic Development Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
<p><i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i></p>					
T 3.11.9					

# Chapter 3

Capital Expenditure Year 0: Economic Development Services					R' 000
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	0	0	0	0%	
Project A	0	0	0	0%	0
Project B	0	0	0	0%	0
Project C	0	0	0	0%	0
Project D	0	0	0	0%0	90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.11.10</i>

## COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The municipality is unable to implement its 5 Year Local Economic Development Strategy due to lack of capacity and resources, specific sector plans like tourism, agriculture, commonage management, SMME & Cooperatives. The municipality is currently utilising JGDM's strategies in the afore mentioned areas. Other remedial actions include engaging Government Departments for assistance, elevating these constraints to District Support Team level. The fact that the municipality has been identified as a MISA (Municipal Infrastructure Support Agency) Municipality will contribute positively in addressing the above listed challenges.

*T 3.11.11*

# Chapter 3

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

In general this directorate provides the following services to create a conducive environment for an improved quality of life for all communities of Gariep Local Municipality:

1. Promote literacy through the provision of library services
2. Disaster Management
3. Manage and effective utilisation of all community facilities
4. To promote arts and culture within the municipal area
5. To promote an environmentally, healthy municipality by systematically addressing environmental needs
6. Implementation of waste management services
7. Management of cemeteries and crematoria.
8. Local Economic Development

Community Services play an important role in people living in poverty within Gariep Local Municipality through fighting poverty by creating opportunities for employment, stimulating entrepreneurial spirit, thus encouraging self-employment, often collaborating with community organisations and other relevant departments to carry out this work. Much of the work focuses on changing the lives of those in need of care and support, those living in poverty to ensure self-reliance as envisioned by the Municipality. These include protection of youth, women and children and elderly including their development. Full support was given through the services listed above not excluding provision of housing, free basic services, implementation of Expanded Public Works Programme for short term employment in an effort to fight poverty. Local Economic Development also facilitated implementation of poverty alleviation projects focusing on the latter mentioned vulnerable groups.

T 3.52

# Chapter 3

## 3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

### INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

Gariep Local Municipality operates six libraries with the support of the Department of Sports, Arts and Culture through a service level agreement. There are archives existing through the records management section. The museums in the area are privately owned with the support of DSRAC. The priority areas for this service include but not limited to

2. Literacy promotion and educational programmes
3. Readership and membership increase
4. Secondment of personnel by the Department of Sports, Arts and Culture from their conditional grant.
5. Connectivity and internet access in all six libraries

In an effort to promote literacy, books have been exchanged to old age homes, service centres and offered assignment assistance to pupils with an access to internet service.

*T3.12.1*

### SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

*T 3.12.2*

# Chapter 3

SEE ATTACHED AUDITED LOCAL GOVERNMENT: MSA, 2000 (ACT NO 32 OF 2000) SECTION 46 REPORT ATTACHED AS ANNEXURE FOR DETAILED ON PREDETERMINED OBJECTIVES

# Chapter 3



# Chapter 3

# Chapter 3

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-2	3	3	3	2	3%
3-7	4	5	4	1	5%
8-12	1	1	1	0	1%
Total	8	9	8	1	9%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.*  
*\*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  
*T 3.12.4*

Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	001 944	440 1 165	317 1 150	791 1 158	-1%
Expenditure:					
Employees	544 901	182 1 012	930 115	985 936	-8%
Repairs and Maintenance	703 18	684 29	684 29	646 2	-1022%
Other	651 733	748 1 484	367 1 519	614 1 026	-45%
Total Operational Expenditure	898 1 653	614 2 526	981 1 664	245 1 966	-28%

# Chapter 3

Net Operational Expenditure	897	709	1 361	664	514	454	807	-69%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.								T 3.12.5

Capital Expenditure Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	260	326	378	31%		
Project A	100	130	128	22%	280	
Project B	80	91	90	11%	150	
Project C	45	50	80	44%	320	
Project D	35	55	80	56%	90	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).						T 3.12.6

The municipality is performing relatively well on library and information service with the assistance of DSRAC and has managed to secure a total membership increase of 4% see statistical report attached as MSA Section 46 Report

T 3.12.7

# Chapter 3

## 3.13 CEMETORIES AND CREMATORIALS

### INTRODUCTION TO CEMETORIES & CREMATORIALS

Gariep Local Municipality is currently managing the Cemeteries in compliance with the laws having a specific focus on receiving bookings for burial, grounds maintenance operations, issuing grave digging orders, checking grave prior to burial, recording and registering burials, facilitating exhumations with the assistance of the Joe Gqabi District Municipality . Challenges are currently experienced with the Steynsburg and Burgersdorp Cemeteries that are almost reaching full capacity and requiring further development. Pauper burial is conducted with in line with the adopted policy by Council including exhumations. The total number of cemeteries in the municipality including both new and old are 13.

T 3.13.1

SEE ATTACHED AUDITED LOCAL GOVERNMENT: MSA, 2000 (ACT NO 32 OF 2000) SECTION 46 REPORT ATTACHED AS ANNEXURE FOR DETAILED ON PREDETERMINED OBJECTIVE

# Chapter 3

Employees: Parks & Gardens & Amenities					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-2	16	1	1	0	0%
4 - 6	0	0		0	10
7 - 9	1	1	1	0	0
Total	17	2	2	0	10
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					
T 3.13.4					

Financial Performance Year 0:Parks and Gardens & Amenities					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	933 44	124 173	516 29	099 31	-457%
Expenditure:					
Employees	735 1 241	536 1 417	834 1 562	939 1 147	-23%
Repairs and Maintenance	126 110	999 97	044 108	812 49	-97%
Other	909 197	018 186	085 205	540 162	-14%
Total Operational Expenditure	770 1 549	553 1 701	963 1 875	291 1 360	-25%
Net Operational Expenditure	837 1 504	429 1 528	447 1 846	192 1 329	-15%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.13.5					

# Chapter 3

Capital Expenditure Year 0: Parks & Gardens & Amenities					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	
Burgersdorp Town Hall	2 741 500		3 482 500	741 000	
Project B	0	0	0	0	
Project C	0	0	0	0	
Project D	0	0	0	0	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
T 3.13.6					

## COMMENT ON THE PERFORMANCE OF CEMETORIES, PARKS & GARDENS:

The municipality has a responsibility to provide affordable social amenities for community development to encourage recreation and social cohesion and council has adopted an utilisation plan for all to enable proper management. These include halls, sports fields, resorts, parks and gardens, Discounted benefits apply have since been implemented for schools, Private Welfare organisations and faith based organisations. Proposals for major renovations of all the sports fields have been extended to potential funders.

T 3.13.7

# Chapter 3

---

SEE ATTACHED AUDITED LOCAL GOVERNMENT: MSA, 2000 (Act No 32 of 2000) SECTION 46 REPORTS ATTACHED AS ANNEXURE FOR DETAILS N  
PREDETERMINED OBJECTIVES

# Chapter 3

## COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

### INTRODUCTION TO SECURITY & SAFETY

The District Municipality has a Disaster Management Policy Framework adopted in 2009 that encapsulates the status and priorities of Gariep Local Municipality its entirety. Disaster Satellite office is functional, but with limited staff of one Disaster Management officer. The district has seconded fire fighters per town except in Venterstad. Major incidents reported were related to drowning, veld fires.

Areas of prioritisation include

Revival of the structure, provision of equipment, capacity building, clarification of roles and responsibilities regarding fire fighting through signing of the SLA.

Provision of support for farm fire fighting.

*T 3.20*



# Chapter 3

---

SEE ATTACHED AUDITED LOCAL GOVERNMENT: MSA, 2000 (Act No 32 of 2000) SECTION 46 REPORT AS ANNEXURE FOR DETAILED ON  
PREDETERMINED OBJECTIVES

# Chapter 3

Employees: Traffic Police & Registration and Licensing					
Job Level	Year -1	Year 0			
Police	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
1-2	0	0	0	0	0%
3-7	5	5	3	0	0%
7 - 9					
10 - 12	3	3	3	0	2
Total	55	93	55	38	41%
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p>T 3.20.4</p>					

Financial Performance Year 0:Traffic Police & Registration and Licensing					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	377 1 194	106 1 423	005 936	556 1 196	-19%
Expenditure:					
Employees	971 1 291	938 1 701	386 1 876	618 1 335	-27%
Repairs and Maintenance	910 9	076 11	211 12	190 21	48%
Other	494 331	231 259	747 396	203 402	36%
Total Operational Expenditure	375 1 633	245 1 972	344 2 285	011 1 759	-12%
Net Operational Expenditure	998 438	139 549	339 1 349	455 562	2%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.14.5					

# Chapter 3

Capital Expenditure Year 0: Traffic					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	
Project A	0	0	0	0	
Project B	0	0	0	0	
Project C	0	0	0	0	
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.20.6					

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

### 3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

#### INTRODUCTION TO EXECUTIVE AND COUNCIL

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year.

Gariiep Local Municipality has aligned its strategic objectives with the National Outcome 12 objectives and National Development Plan 20130 (inclusive of ANC manifesto, national, provincial and district priorities) the Eastern Cape Provincial Strategic Framework and the priority program of the District. However it has maintained a local focus with an emphasis on its priorities and strategies with the resource constraints that exist. With the municipality mission aiming at fighting poverty through the creation of opportunities for employment b, stimulating entrepreneurial spirit, thus encouraging self-employment and reliance. The goal that the municipality oriented itself to achieve included promotion of sustainable, economic and social development, providing quality and affordable basic service and improvement of service delivery capacity which has since been achieved

1.

T 3.24.1

# Chapter 3

## SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

*T 3.29.2*

# Chapter 3

Employees: The Executive and Council					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-2	0	0	0	0	0
3-7	1	1	1	0	2
7 - 9					
Total					
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p style="text-align: center;"><i>T 3.24.4</i></p>					

## COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.24.7*

# Chapter 3

## 3.25 FINANCIAL SERVICES

### INTRODUCTION FINANCIAL SERVICES

#### *Debt recovery*

Debt recovery is still poorly performed when looking at the performance of each service type. Property rates has performed well in terms of collection, this has also been assisted by the payment of arrears. Electricity theft is also major contributing factor or poor collection. Area which are utilising Eskom Electricity are not paying because credit control cannot be enforced in that area as the municipality is unable to disconnect Eskom Electricity.

T 3.25.1

Debt Recovery							
							R' 000
Details of the types of account raised and recovered	Year -1		Year 0			Year 1	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	7 811.00	0.80	7 500.00	6 912.00	0.92	7 656.00	0.86
Electricity - B	733.00	0.65	771.00	2 101.00	2.73	752.00	1.69
Electricity - C	4 023.00	0.20	2 639.00	4 677.00	1.77	3 331.00	0.99
Refuse	89 811.00	0.59	10 399.00	1 770.00	0.17	9 690.00	0.38
Other							

*B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.*

T 3.25.2

# Chapter 3

# Chapter 3

Employees: Financial Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p><i>T 3.25.4</i></p>					



# Chapter 3

Financial Performance Year 0: Financial Services					
R'000					
Details	2011/2012	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	11 771 671	14 366 301	14 366 301	19 471 874	26%
Expenditure:					
Employees	4 725 540	6 415 723	6 736 508	2 940 922	-118%
Repairs and Maintenance	112 433	36 860	40 614	42 126	13%
Other	6 397 503	21 938 945	20 262 672	8 709 908	-152%
Total Operational Expenditure	11 235 476	28 391 528	27 039 794	11 692 956	-143%
Net Operational Expenditure	-536 195	14 025 227	12 673 493	-7 778 918	280%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T 3.25.5

# Chapter 3

Capital Expenditure Year 0: Financial Services					
Capital Projects	2012/2013				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 065 000	0	0	0%	
Project A	1 065 000	0	0	0%	0
Project B	0	0	0	0%	0
Project C	0	0	0	0%	0
Project D	0	0	0	0%	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
					T 3.25.6

## COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.25.7

# Chapter 3

## 3.26 HUMAN RESOURCE SERVICES

### INTRODUCTION TO HUMAN RESOURCE SERVICES

**Delete Directive note once comment is complete** – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by HR service during the year.

T 3.26.1

### SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

T 3.26.2

SEE ATTACHED AUDITED LOCAL GOVERNMENT: MSA, 2000 (Act No 32 of 2000) SECTION 46 REPORT AS ANNEXURE FOR DETAILED OBJECTIVES ON PREDETERMINED

# Chapter 3

Employees: Human Resource Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-2	0	0	0	0	0
3-7	3	3	3	0	
8 - 12	6	6	6	0	2
13 - 15	1	1	1	1	2
Total	10	10	10	0	4
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					
T3.26.4					

Financial Performance Year 0: Human Resource Services					
R'000					
Details	Year - 1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	6%
Net Operational Expenditure	75	607	650	649	6%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.26.5					

# Chapter 3

Capital Expenditure Year 0: Human Resource Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	
Project A	0	0	0	0	
Project B	0	0	0	0	
Project C	0	0	0	0	
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.26.6					

## COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.26.7

## 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

### INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Previously the municipality had no Information Technology Unit, and solely relied on the remote support of Joe Gqabi District Municipality and an effort to institutionalise the function was identified. Three staff members are available and a Cloud Ware System is being operated to preserve institutional memory. All IT related policies are in place. The backups are done on daily basis.

T 3.27.1

# Chapter 3

# Chapter 3

---

SEE ATTACHED AUDITED LOCAL GOVERNMENT: MSA, 2000 (Act No 32 of 2000) SECTION 46 REPORT AS ANNEXURE FOR DETAILED ON  
PREDETERMINED OBJECTIVES

# Chapter 3

Employees: ICT Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1-2	0	0	0	0	
4 - 6	0	0	0	0	0%
7 - 9	2	2	2	0	0%
10 - 12					
13 - 15	1	1	1	0	0%
Total	3	3	3	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

*T3.27.4*

R'000					
Details	Year - 1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance					
Other					
Total Operational Expenditure					
Net Operational Expenditure					

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

*T 3.27.5*



# Chapter 3

## COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

ICT is one of the key assets of Gariep Local Municipality as a result the municipality has progressively created a dedicated unit with three officials , Manager IT , Network administrator, and IT Officer to administer all activities including IT governance and security. This unit is responsible for developing and maintaining a centralised information management system, integration of systems and availability of electronic information at all times. The main priority being to ensure that ICT services each directorate and official in the municipality including the residents within the municipality. The ICT has set out to achieve the following in the reporting period which has been outstandingly achieved.

### **System upgrade**

Cloud Ware server has been setup to allow a desktop environment where all applications can coexist seamlessly on a single desktop, no matter what operating system or application.

### **ICT DRP / Backup**

The ICT unit identified that it is important to develop an ICT Disaster Recovery Plan (ICT DRP) as a guiding document to activities that must occur to resume ICT services should a disaster occur and which critical operations and more importantly must be given the highest priority in the order of high to low. Due to financial challenges, DPR has not yet been implemented and tested.

For GARIEP Local Municipality, backing up data is a critical and essential part of operating a data center. For this reason, ICT unit has developed a DATA BACKUP PLAN which is intended to be user friendly and deals with daily methods and procedures that will be followed when backup data is done.

The complexity of current business environments, and the diverse technology used in ICT infrastructure environment demands a greater control to minimize risk and potential impact on the business.

### **Change Management**

A Draft Change Management Policy has been developed to serve the following objectives

To protect the computing environment from uncontrolled changes

To restrict service disruptions caused by necessary changes to defined low-user hours.

To minimize the occurrence of unintended effects during the implementation of necessary changes.

### **Laptop Policy**

A loaner Laptop Policy has been developed and implemented once Cloud ware system is fully functional.

T3.27.7

# Chapter 3

Employees: Property; Legal; Risk Management; and Procurement Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	00	0	0%
4 - 6	0	0	0	0	0
7 - 9	0	0	6	0	0
10 - 12	0	0	0	0	0
13 - 15	1	1	1	0	0
Total	1	1	1	0	0
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					

T 3.28.4

Capital Expenditure Year 0: ICT Services					
					R' 000
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	0	0	0	0	
Project A	0	0	0	0	
Project B	0	0	0	0	
Project C	0	0	0	0	
Project D	0	0	0	0	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

T 3.27.6

# Chapter 3

Financial Performance Year 0: Property; Legal; Risk Management					
R'000					
Details	Year - 1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	
Expenditure:					
Employees					
Repairs and Maintenance					
Other					
Total Operational Expenditure					
Net Operational Expenditure					
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.28.5					

## COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

**Legal Services:** The municipality has no legal section and no dedicated individual to perform or manage legal services. The municipality is using external attorneys as and when the need arises and the report is submitted to the Municipal Manager. There is a budget available for legal costs.

T 3.28.7

## COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

## INTRODUCTION TO MISCELLANEOUS

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by this service during the year.

T 3.29.0



# Chapter 3

<b>Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP</b>									
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>Year -1</b>		<b>Year 0</b>			<b>Year 1</b>	<b>Year 3</b>	
		<b>Target</b>	<b>Actual</b>	<b>Target</b>		<b>Actual</b>	<b>Target</b>		
<i>Service Indicators</i>		*Previous Year <b>(iii)</b>	<b>(iv)</b>	*Previous Year <b>(v)</b>	*Current Year <b>(vi)</b>	<b>(vii)</b>	*Current Year <b>(viii)</b>	*Current Year <b>(ix)</b>	*Following Year <b>(x)</b>
<b>(i)</b>	<b>(ii)</b>								
<b>Service Objective xxx</b>									
Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are ‘universal municipal indicators’. *‘Previous Year’ refers to the targets that were set in the Year -1 Budget/IDP round; “Current Year” refers to the targets set in the Year 0 Budget/IDP round. “Following Year” refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.									T 3.14.3

# Chapter 3

Employees: Child Care; Aged Care; Social Programmes					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.14.4

Financial Performance Year 0: Child Care; Aged Care; Social Programmes					
R' 000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.14.5

Capital Expenditure Year 0: Child Care; Aged Care; Social Programmes					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

T 3.14.6

# Chapter 3

## COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.14.7

## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection.

### INTRODUCTION TO ENVIRONMENTAL PROTECTION

**Delete Directive note once comment is completed** – Provide brief introductory comments.

T 3.14

### 3.15 POLLUTION CONTROL

#### INTRODUCTION TO POLLUTION CONTROL

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

T 3.15.1

#### SERVICE STATISTICS FOR POLLUTION CONTROL

T 3.15.2

# Chapter 3

Pollution Control Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i>  (i)	Outline Service Targets   (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>Water and air purity</i>	Water: x% of all readings taken throughout the year on at least weekly to be found acceptable (clean) by National Standards	T0% clean	A0% clean	T1% clean	T1% clean	A1% clean	T2% acceptable	T5% acceptable	T5% acceptable
	Air: x% of all readings taken throughout the year on at least weekly to be found acceptable by National standard	T0% clean	A0% clean	T1% clean	T1% clean	A1% clean	T2% acceptable	T5% acceptable	T5% acceptable
<i>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year - 1 Budget/IDP round; "Current Year" refers to the targets set in the Year 0 Budget/IDP round. "Following Year" refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by</i>									<i>T 3.15.3</i>



# Chapter 3

Employees: Pollution Control					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.15.4

Financial Performance Year 0: Pollution Control					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.15.5

Capital Expenditure Year 0: Pollution Control					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

T 3.15.6

# Chapter 3

## COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.15.7

## 3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

### INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

T 3.16.1

### SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

T 3.16.2

# Chapter 3

Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i>  (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. *'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by</i>									

T 3.16.3

# Chapter 3

Employees: Bio-Diversity; Landscape and Other					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T 3.16.4

Financial Performance Year 0: Bio-Diversity; Landscape and Other					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* T 3.16.5

Capital Expenditure Year 0: Bio-Diversity; Landscape and Other					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).* T 3.16.6

# Chapter 3

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.16.7

## COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

### INTRODUCTION TO HEALTH

The Municipality does not provide health services as this is a Provincial mandate, However the municipality provides support in as far as housing the function through a lease agreement. Clinics are the properties of the municipality throughout the municipality.

The municipality is represented in all clinic committees and in the hospital board

T 3.17

### 3.17 CLINICS

D

Service Data for Clinics					
	Details	Year -2	Year -1		Year 0
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Average number of Patient visits on an average day				
2	Total Medical Staff available on an average day				
3	Average Patient waiting time	mins	mins	mins	mins
4	Number of HIV/AIDS tests undertaken in the year				
5	Number of tests in 4 above that proved positive				
6	Number of children that are immunised at under 1 year of age				
7	Child immunisation s above compared with the child population under 1 year of age	%	%	%	%

T 3.17.2

# Chapter 3

Concerning T 3.17.2

**Delete Directive note once table is completed** – Average patient waiting time and total medical staff availability on an average day are obtained but sampling staff and patients on different days at different times at regular intervals throughout the day.

T 3.17.2.1

# Chapter 3

Clinics Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i>  (i)	Outline Service Targets  (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>Proportion of population visiting public health clinics</i>	% of children under 1 year that are immunised.	T0% immunised	A0% immunised	T1% immunised	T1% immunised	A1% immunised	T2% immunised	T5% immunised	T5% immunised
<i>Proportion of population visiting public health clinics</i>	% of those tested for HIV/AIDS that proved positive; (number of those tested)	T0% tested positive; (xxxxxx tested)	A0% tested positive; (xxxxxx tested)	T1% tested positive; (xxxxxx tested)	T1% tested positive; (xxxxxx tested)	A1% tested positive; (xxxxxx tested)	T2% tested positive; (xxxxxx tested)	T5% tested positive; (xxxxxx tested)	T5% tested positive; (xxxxxx tested)
<i>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *Current Year' refers to the targets set in the Year 0 Budget/IDP round. *Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.</i>									T 3.17.3

# Chapter 3

Employees: Clinics					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T 3.17.4

Financial Performance Year 0: Clinics					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

T 3.17.5

Capital Expenditure Year 0: Clinics					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.*

T 3.17.6



# Chapter 3

## COMMENT ON THE PERFORMANCE OF CLINICS OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.17.7

## 3.18 AMBULANCE SERVICES

### INTRODUCTION TO AMBULANCE SERVICES

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

T 3.18.1

Ambulance Service Data					
	Details	Year -2	Year -1		Year 0
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of patients taken to medical facilities during the year				
2	Average time from emergency call to arrival at the patient - in urban areas				
3	Average time from emergency call to arrival at the patient - in rural areas				
4	Average time from emergency call to the transportation of patient to a medical facility - in urban areas				
5	Average time from emergency call to the transportation of patient to a medical facility - in rural areas				
6	No. ambulance				
7	No. paramedics				
T 3.18.2					

T 3.18.2

### Concerning T 3.18.2

**Delete Directive note once table is completed** –Average turnout and turn-round times are determined by logging the times taken from initial call to reaching an emergency incident and from initial call to the incident and then on to the medical facility and analysing the record.

T 3.18.2.1

# Chapter 3

<b>Ambulances Policy Objectives Taken From IDP</b>									
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>Year -1</b>		<b>Year 0</b>			<b>Year 1</b>	<b>Year 3</b>	
		<b>Target</b>	<b>Actual</b>	<b>Target</b>		<b>Actual</b>	<b>Target</b>		
<i>Service Indicators</i>		*Previous Year <b>(iii)</b>		*Previous Year <b>(v)</b>	*Current Year <b>(vi)</b>		*Current Year <b>(viii)</b>	*Current Year <b>(ix)</b>	*Following Year <b>(x)</b>
<b>(i)</b>	<b>(ii)</b>								
<b>Service Objective xxx</b>									
<b>Ambulance turnaround time (<i>Timeout to patients and back to medical facility</i>)</b>	Average turnaround time in rural areas	T0 min on average	A0 min on average	T1 min on average	T1 min on average	A1 min on average	T2 min on average	T5 min on average	T5 min on average
	Average turnaround time in urban areas	T0 min on average	A0 min on average	T1 min on average	T1 min on average	A1 min on average	T2 min on average	T5 min on average	T5 min on average

Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are ‘universal municipal indicators’. \* Previous Year’ refers to the targets that were set in the Year -1 Budget/IDP round; “Current Year” refers to the targets set in the Year 0 Budget/IDP round. \*Following Year’ refers to the targets set in the Year 1 Budget/IDP round.

Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.

T 3.18.3

# Chapter 3

Employees: Ambulances					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
					T 3.18.4

Financial Performance Year 0: Ambulances					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.18.5

Capital Expenditure Year 0: Ambulances					R' 000
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.18.6

# Chapter 3

## COMMENT ON THE PERFORMANCE OF AMBULANCE SERVICES OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.18.7

## 3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

### INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

T 3.19.1

### SERVICE STATISTICS FOR HEALTH INSPECTION, Etc

T 3.19.2

# Chapter 3

[illegible]

# Chapter 3

Employees: Health Inspection and Etc					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					
T 3.19.4					

Financial Performance Year 0: Health Inspection and Etc					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.19.5					

Capital Expenditure Year 0: Health Inspection and Etc					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
T 3.19.6					

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS, Etc OVERALL:

# Chapter 3

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.19.7

## COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

### INTRODUCTION TO SECURITY & SAFETY

The Municipality has 3 police station in the greater municipality. The level of crime is relatively low and the most frequent crime in the area is stock theft, assaults and house breaking. The municipality is partaking in all programmes of SAPS through Community Police Forums with the involvement of ward committee members, however the municipal revenue does not allow the municipality to municipal police but does have traffic section that needs to be revitalised.

T 3.20

# Chapter 3

Police Policy Objectives Taken From IDP									
Service Objectives  Service Indicators (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>Reduction in road accidents</i>	x% reduction in road accidents over the target for the previous year	T0% reduction in year -1	A0% reduction in year -1	T1% reduction in year 0	T1% reduction in year 0	A1% reduction in year 0	T2% reduction in year 1	T5% reduction in year 3	T5% reduction in year 3

*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; "Current Year" refers to the targets set in the Year 0 Budget/IDP round. "Following Year" refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

T 3.20.3



# Chapter 3

Employees: Police Officers					
Job Level	Year -1	Year 0			
Police	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Police Officer & Deputy					
Other Police Officers					
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.*

*\*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

*T 3.20.4*

Financial Performance Year 0: Police					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Police Officers					
Other employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

*T 3.20.5*

Capital Expenditure Year 0: Police					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

*T 3.20.6*

# Chapter 3

## COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.20.7

### 3.21 FIRE

#### INTRODUCTION TO FIRE SERVICES

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

T 3.21.1

Metropolitan Fire Service Data					
	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year				
2	Total of other incidents attended in the year				
3	Average turnout time - urban areas				
4	Average turnout time - rural areas				
5	Fire fighters in post at year end				
6	Total fire appliances at year end				
7	Average number of appliance off the road during the year				

T 3.21.2

Concerning T3.21.2

**Delete Directive note once table is completed** - Average turnout times are determined by logging the times taken to reach an emergency incident from receipt of call and analysing the record. Average Fire appliances off the road. The average number of busses off the road is obtained by sampling the number off the road on different days at different times.

T 3.21.2.1

# Chapter 3

# Chapter 3

[illegible]

# Chapter 3

Employees: Fire Services					
Job Level	Year -1	Year 0			
Fire Fighters	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Fire Officer & Deputy					
Other Fire Officers					
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

*T 3.21.4*

Financial Performance Year 0: Fire Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Fire fighters					
Other employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

*T 3.21.5*

Capital Expenditure Year 0: Fire Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.*

*T 3.21.6*

# Chapter 3

## COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.21.7

## 3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

### INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

T 3.22.1

### SERVICE STATISTICS FOR DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

T 3.22.2

# Chapter 3

[illegible]

# Chapter 3

Employees: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
					T 3.22.4

Financial Performance Year 0: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.22.5

Capital Expenditure Year 0: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.22.6



# Chapter 3

## COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.22.7

## COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

### INTRODUCTION TO SPORT AND RECREATION

The Municipality has sport grounds that are maintained in almost all 3 towns, however due to unlimited resources these facilities are not at the level where one can be satisfied but they are playable. The municipality has a mayoral tournament each and every year that is budgeted and coordinated by the municipality and it has got positive impact since its inception.

Municipality is also supporting all DSRAC programmes that are sport related in uplifting the standard of sport in the area. Currently some other sporting activities are even played at provincial level as a result of the Mayoral event and the support by the municipality

T 3.23

# Chapter 3

# Chapter 3

Employees: Sport and Recreation					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.23.3

Financial Performance Year 0: Sport and Recreation					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.23.4

Capital Expenditure Year 0: Sport and Recreation					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

T 3.23.5

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

# Chapter 3

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.23.6

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

### INTRODUCTION TO CORPORATE POLICY OFFICES, Etc

The Municipality has corporate, financial services policies ICT and property rates policies that are reviewed annually. The policies are works hoped before tabling and approved by council. The communities and stakeholders involved are consulted in all policies that require them

T 3.24

# Chapter 3

# Chapter 3

Employees: The Executive and Council					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.24.4

Financial Performance Year 0: The Executive and Council					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.24.5

Capital Expenditure Year 0: The Executive and Council					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

T 3.24.6

# Chapter 3

## COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.24.7

## 3.25 FINANCIAL SERVICES

### INTRODUCTION FINANCIAL SERVICES

The Municipality is managing its financial services through Finance department. The municipality has got a low base revenue and this is due to the fact that majority of its community are indigent people, mostly they depend on government grants.

The municipality prioritised data cleansing and cash flow problem. Data cleansing assisted the municipality through the appointment of a service provider as there was no skill internally. Cash flow challenge is being overcome by implementing the collection policy through continuous electricity cut offs.

T 3.25.1

# Chapter 3

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	Year -1		Year 0			Year 1	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates							
Electricity - B							
Electricity - C							
Water - B							
Water - C							
Sanitation							
Refuse							
Other							
<i>B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.</i>							<i>T 3.25.2</i>

Concerning T 3.25.2

**Delete Directive note once table is completed** – The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues.

*T 3.25.2.1*



# Chapter 3

Financial Service Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i>  (i)	Outline Service Targets  (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>Increase in speed of payment of tariffs, tax demands, invoices</i>	No more than x% of creditors raised (in Rand value) during the year outstanding (o/s) at year end	No more than T0% of current/yr creditors o/s at/yr end	No more than A0% of current/yr creditors o/s at/yr end	No more than T1% of current/yr creditors o/s at/yr end	No more than T1% of current/yr creditors o/s at/yr end	No more than A1% of current/yr creditors o/s at/yr end	No more than T2% of current/yr creditors o/s at/yr end	No more than T5% of current/yr creditors o/s at/yr end	No more than T5% of current/yr creditors o/s at/yr end
<i>Reducing the number of invoices raised by increasing advance payment for services rendered (A project requiring participation by all departments but let by the central finance department)</i>	x% reduction in number of invoices raised over the previous year's target	T0% reduction in invoices raised; target limit of invoices	A0% reduction in invoices raised; target limit of invoices	T1% reduction in invoices raised; target limit of invoices	T1% reduction in invoices raised; target limit of invoices	A1% reduction in invoices raised; target limit of invoices	T2% reduction in invoices raised; target limit of invoices	T5% reduction in invoices raised; target limit of invoices	T5% reduction in invoices raised; target limit of invoices
<i>Improving speed of legal measures to recover revenues</i>	Commence legal proceedings for recovery of revenues within 4 weeks of the due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	% of legal proceeding commenced within 4 weeks of due date	% of legal proceeding commenced within 4 weeks of due date	% of legal proceeding commenced within 4 weeks of due date
<i>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.</i>									T 3.25.3

# Chapter 3

Employees: Financial Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.25.4

Financial Performance Year 0: Financial Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.25.5

Capital Expenditure Year 0: Financial Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate. T 3.25.6

# Chapter 3

## COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.25.7

# Chapter 3

# Chapter 3

Employees: Human Resource Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T3.26.4

Financial Performance Year 0: Human Resource Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.26.5

Capital Expenditure Year 0: Human Resource Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

T 3.26.6

# Chapter 3

# Chapter 3

# Chapter 3



# Chapter 3

Employees: Property; Legal; Risk Management; and Procurement Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.28.4

Financial Performance Year 0: Property; Legal; Risk Management and Procurement Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	6%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.28.5

Capital Expenditure Year 0: Property; Legal; Risk Management and Procurement Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

T 3.28.6

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

# Chapter 3

**Delete Directive note once comment is completed** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.28.7

## COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

## INTRODUCTION TO MISCELLANEOUS

**Delete Directive note once comment is completed** – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by this service during the year.

*T 3.29.0*

## COMPONENT K: ORGANISATIONAL PERFORMOMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

[illegible]

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

### INTRODUCTION

As an evolving organisation Gariep Local Municipality sees transformation and development requiring a strategy with resource allocation and constant meaningful evaluation of the strides the municipality has taken. Transforming Gariep Local Municipality into a fully developmental municipality as envisaged is dependent on ensuring that all what defines a municipality to a community vision and understanding of various developmental issues and challenges constraining the institution. Series of actions have been taken aiming at coordinating transformation processes in an integrated manner. This is seen as an inherent part of maximising sustainable service delivery. It is essential that internal processes which enable service delivery, together with systems to improve on these processes be looked at

*T 4.0.1*

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### .1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	Year -1	Year 0			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	1702,019	1702,019	1840,837	1840,837	%
Waste Water (Sanitation)	2874,036	2874,036	2839,243	2839,243	%
Electricity	970,008	970,008	1289,796	1289,796	%
Waste Management	3142,932	3142,932	3164,285	3164,285	%
Housing	419,999	419,999	486,873	486,873	%
Halls and Buildings	943,697	943,697			%
Roads	2635,228	2635,228	2672,029	2672,029	%
Sports and Recreation	1375,155	1375,155	1147,939	1147,939	%
Planning	1165,305	1165,305	338,856	338,856	%
Libraries	954,185	954,185			%
Corporate Services	2655,030	2655,030	2420,866	2420,866	%
Budget and Treasury Office	4725,540	4725,540	5478,285	5478,285	%
Community & Social Services	1247,275	1247,275	1507,849	1507,849	%
Municipal Manager	3753,677	3753,677	6173,345	6173,345	%
Council	2503,368	2503,368	2905,601	2905,601	%

# Chapter 4

Traffic	1359,713	1359,713	1335,618	1335,618	
<b>Totals</b>	<b>32427,167</b>	<b>32427,167</b>			<b>-</b>

The heading follows the order of services as set out in Chapter 3 employee schedules. Service totals should equate to those included post number are attached as at 30 June, as per the approved organogram.

T.4.1.1

## Vacancy Rate: Year 0

Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S57 Managers (excluding Finance Posts)	3	1	33.00
Other S57 Managers (Finance posts)	0	0	0.00
Police officers	0	0	0.00
Fire fighters	0	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	9	1	11.00
Senior management: Levels 13-15 (Finance posts)	2	1	50.00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	10	6	60.00
Highly skilled supervision: levels 9-12 (Finance posts)	6	5	83.33
<b>Total</b>	<b>32</b>	<b>14</b>	<b>43.75</b>

Note: \*For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T.4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	36	9	25%
Year -1	6	25	24%
Year 0	13	57	23%

\* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year

T 4.1.3

# Chapter 4

## COMMENT ON VACANCIES AND TURNOVER:

Gariep Local Municipality has satellite offices in Steynsburg and Venterstad and each of them has a Unit Manager responsible for day to day administration feeding into the main office in Burgerdorp.

The administration is headed by the Municipal Manager with four Sec 56 Managers directly under his span of control and are all appointed under five year performance contracts. These managers include the Chief Financial officer, Director Community Services, Director Technical Services and Director Corporate Service. The last two posts have since been vacated in succeeding years. Joe Gqabi District Municipality seconded the Director Technical Services for a period of a month and the municipality appointed an internal incumbent for another period of six months. Director Corporate Services all vacated the position in December 2012 and the municipality also had to appoint another incumbent to act.

01 July 2012 to 30 June 2013 only 09 terminations inclusive of one (1) death, three (3) resignations, four (4) retirement and one (1) ill health. Twelve (12) vacancies were filled, three (3) were promoted, the total number of posts is 232 of which 238 officials (84,09%) are filled and 45 (15.1%) are vacant.

With regards to Scarce Skills Plan it should be noted that the Municipality deals with this issue in terms of guidelines issued by LGSETA that prescribes scarce and critical posts. As an attempt to implement the succession and retention planning, the municipality has recently been going to different municipalities for benchmarking, training mentoring and acting in critical posts, this resulted in municipal restructuring, placement and rotation of staff in other more relevant and suitable sections which includes public participation unit which have been assigned new personnel as a mechanism to strengthen customer care profiling. Based on the proposed benchmark of 1 municipal official staff to resident ratio in which should result in better service provision.

4.1.4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998. A municipality is required to structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community, and participate in national and provincial development programmes. If therefore a municipality can achieve its objectives consistently, with its financial and administrative capacity, it could be described as functional and well performing. In this case, Gariep Local Municipality can be described as low capacity municipality which endeavours to maximally and effectively utilise its resource both financially and otherwise.

The municipality within its administrative and financial capacity has organised itself in a manner that has enabled the municipality to be responsive to the needs of the local communities, facilitated a culture of public service, and accountability amongst its staff, performance oriented and focussed on

# Chapter 4

the objectives of local government set out in section 52 of the Constitution and its developmental duties. Policies and systems have therefore been put in place to drive the expectation for the full realisation of its vision and a developmental municipality. See the list below that signifies responsiveness of the provisions mentioned above.

T 4.2.0

## POLICIES

### HR Policies and Plans

	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action	100%	100%	2011
2	Attraction and Retention	80%	80%	Same as above
3	Code of Conduct for employees	100 %	100%	Same as above
4	Delegations, Authorization & Responsibility	100 %	100%	Same as above
5	Disciplinary Code and Procedures	100 %	100%	Same as above
6	Essential Services	100 %	100%	Same as above
7	Employee Assistance / Wellness	50%	50%	Same as above
8	Employment Equity	50%	100%	2012
9	Exit Management	50%	-	2012
10	Grievance Procedures	100%	100%	Same as above
11	HIV/Aids	80%	80%	Same as above
12	Human Resource and Development	80%	100%	Same as above
13	Information Technology	80%	80%	2012
14	Job Evaluation	80%	100%	2008
15	Leave	100%	100%	Same as above
16	Occupational Health and Safety	80%	80%	Same as above
17	Official Housing	100%	100%	Same as above
18	Official Journeys	100%	100%	Same as above
19	Official transport to attend Funerals	80%	80%	Same as above
20	Official Working Hours and Overtime	100%	100%	Same as above
21	Organizational Rights	80%	80%	Same as above
22	Payroll Deductions	100%	100%	Same as above
23	Performance Management and Development	80%	80%	Same as above
24	Recruitment, Selection and Appointments	80%	80%	Same as above
25	Remuneration Scales and Allowances	80%	80%	Same as above
26	Resettlement	100%	100%	Same as above
27	Sexual Harassment	100%	100%	Same as above
28	Skills Development	100%	100%	Same as above
29	Smoking	100%	100%	
30	Special Skills	50%	50%	Same as above
31	Work Organization	70%	70%	Same as above
32	Uniforms and Protective Clothing	70%	70%	Same as above
33	Other:			

Use name of local policies if different from above and at any other HR policies not listed

T 4.2.1

# Chapter 4

## COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Gariep Local Municipality has comprehensive Human Resources Policy that is being reviewed on annual basis which has also been done in the reporting period.

T 4.2.1.1

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

#### Number and Cost of Injuries on Duty

Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	85	4	4.7%	17	83 522.82
Temporary total disablement	22	1	4.5%	4.4	5 400.22
Permanent disablement	0	0	0	0	
Fatal	0	0	0	0	0
<b>Total</b>	<b>107</b>	<b>5</b>	<b>4.6%</b>	<b>21.4</b>	<b>88 923.04</b>

T 4.3.1

#### Number of days and Cost of Sick Leave (excluding injuries on duty)

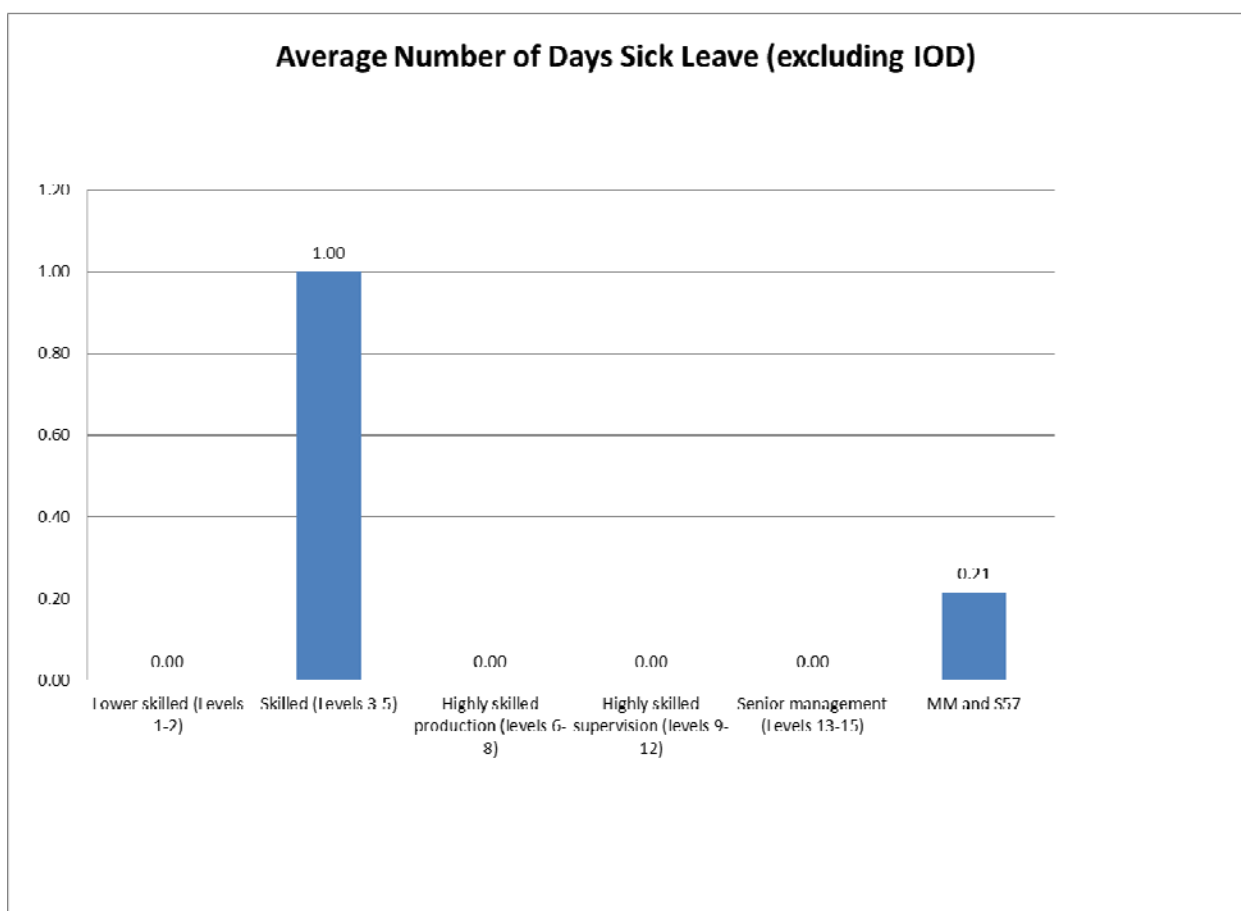
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Levels 1-2)	613	97,3 %	37	128	2.57	1414 671.40
Skilled (Levels 3-5)	238	63,6%	11	33	1	2259 835.10
Highly skilled production (levels 6-8)	286		26	41	1.2	4379 031.80
Highly skilled supervision (levels 9-12)	186		9	22	0.78	7414 276.30
Senior management (Levels 13-15)	41	85,7%	7	10	0.17	1879 476.90
MM and S57	51		4	4	0.21	499 738.24
<b>Total</b>	<b>1415</b>	<b>82.2%</b>	<b>94</b>	<b>238</b>	<b>5.93</b>	<b>17847 029.00</b>

\* - Number of employees in post at the beginning of the year

\*Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2

# Chapter 4



T 4.3.3

## COMMENT ON INJURY AND SICK LEAVE:

**Delete Directive note once comment is completed** – Comment on injury and sick leave indicated in the above tables. Explain steps taken during the year to reduce injuries and follow-up action in relation to injury and sick leave (e.g. are injuries examined by the municipality's own doctor; are those taking long or regular periods of sick leave monitored by municipality's doctor; and are personal records maintained of the number of instances of sick leave and amount of time taken each year?)

T 4.3.4



# Chapter 4

Disciplinary Action Taken on Cases of Financial Misconduct			Date Finalised
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	
Driver	Missuse of petrol cards		
Assistant electricians	Illegal electricity connections	Demoted	
Finance section	Money lost in a municipal safe	Case under investigation	n/a
			T 4.3.6

## COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The municipality only had few cases of misconduct in the financial year in question, it was cases of abusing petrol cards, moneys lost from the safe, illegal electricity connection, However the municipality is still investing these cases

*T 4.3.7*

## 4.4 PERFORMANCE REWARDS

### COMMENT ON PERFORMANCE REWARDS:

Gariep PMS framework was adopted in July 2011 and the scorecards from the s56 Managers cascading down to middle management. The performance management in local government begins essentially with the need to ensure the realisation of the IDP and the continued improvement in the standards of performance through the realisation of IDP and the continued improvement in the standards of performance through the following

Increased accountability and transparency

1. Provision of platform for learning and development
2. Facilitation of decision making through the clarification of goals and priorities
3. Provision of early warning signals highlighting underperformance
4. Continual assessment of the performance of the municipality so as to assess areas requiring improvement.
5. Creation of a culture of performance of the municipality amongst all officials

The alignment between the strategic objectives of employment contracts and performance agreements of senior managers is realised through SDBIP , IDP individual scorecards , key performance indicators and performance reports.

*T 4.4.1.1*

# Chapter 4

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1  R' 000	Proportion of beneficiaries within group  %
Lower skilled (Levels 1-2)	Female	0	0	0	
	Male	0	0	0	
Skilled (Levels 3-5)	Female	0	0	0	
	Male	0	0	0	
Highly skilled production (levels 6-8)	Female	0	0	0	0%
	Male	0	0	0	
Highly skilled supervision (levels 9-12)	Female	0	0		
	Male	0	0	0	
Senior management (Levels 13-15)	Female	0	0	0	
	Male	0		0	
MM and S57	Female	0	0	0	
	Male	0	0	0	
Total					
Has the statutory municipal calculator been used as part of the evaluation process?					Yes/No
<p>Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</p>					

T 4.4.1

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way. The municipality has a training committee with its membership inclusive of councilors, corporate services Director, Community Services and Labour. The meetings are held on a monthly basis. This committee has a responsibility to address the capacity of existing human

# Chapter 4

resources to effectively provide service delivery. To realize this municipality is highly reliant on external funding due to cash flow difficulties

Gariiep Local Municipality is not immune to the skills development and capacity challenges identified by SALGA and Local Government Turnaround Strategy Assessment which include the following

Under – investment in people, particularly where technical, management and leadership skills are required. More creative responses are required by the municipality to address scarce skills, such as partnering with civil society, private sector and share services options. It is true that a poor municipal workforce is not conducive environment to attracting and retaining and talented professional which is due to unclear job descriptions, limited incentives and career paths hence the municipality spends tireless efforts in improving the skills base of the municipality. The following table fairly presents these efforts. 4.5.0

# Chapter 4

## 4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 0											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target
MM and s57	Female	4							2	2	2	2	2	2
	Male								7	7	7	7	7	7
Councillors, senior officials and managers	Female	3												
	Male								2	2	2	2	2	2
Technicians and associate professionals*	Female													
	Male													
Professionals	Female													
	Male													
Sub total	Female													
	Male													
Total		0							11	11	11	11	11	11

\*Registered with professional Associate Body e.g CA (SA)

# Chapter 4

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
Accounting officer	1	0	1	0	0	0
Chief financial officer	1	0	1	0	0	0
Senior managers	1	0	1	0	0	0
Any other financial officials	5	0	5	0	0	0
<b>Supply Chain Management Officials</b>						
Heads of supply chain management units	1	0	1	0	0	0
Supply chain management senior managers	0	0	0	1	1	1
<b>TOTAL</b>	<b>9</b>	<b>0</b>	<b>9</b>	<b>1</b>	<b>1</b>	<b>1</b>
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						
						T 4.5.2

Skills Development Expenditure										
R'000										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	1	0	0		35000	0	0	0	35000
	Male	3	0	0	38107	38107	0	0	38107	38107
Legislators, senior officials and managers	Female	9		42000		8110	0	0	42000	50110
	Male	11	27000	27000	0	0	1290		28290	27000
Professionals	Female	9		345000	0	1290	0	0	0	346290
	Male	9	0	40000	0					40000
Technicians and associate professionals	Female	9	0	0	0	1290	0	0	0	1290
	Male	11	0	0	0	0	0	0	0	
Clerks	Female	16				3870	0	0	0	3870
	Male	13	0	0	0	32000	0	0	0	32000
Service and sales workers	Female	1								
	Male	3								

# Chapter 4

Plant and machine operators and assemblers	Female									
	Male	9								
Elementary occupations	Female	29				6450				6450
	Male	105				11610				11610
Sub total	Female	74		0	42000	49560				49560
	Male	164	27000	67000	38107	70107				137107
Total		238	27000	67000	80107	119667	0	0	107107	186667
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%*	*R
										T4.5.3

## COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

All skills development activities are governed by the Annual Workplace Skills Plan, as required by the Local Government SETA (LGSETA). A skills audit was conducted among all staff members, responding to requests from all directorates for their staff members, and aimed at addressing their developmental needs. There is currently a huge skills shortage which impacts negatively on the competitiveness of the municipality. Nearly all employees receive some form training which some are in service in nature. Gariep Local Municipality is aware that individuals rely on training to improve their current skills and to learn new skills. Training represents an expensive investment the municipality makes in human resources and therefore processes to evaluate the effort training contribute to maximise the benefit of these trainings.

In terms of Section 83,107 AND 119 of the Municipal Finance Management Act , National Treasury issued regulations on minimum competencies required for officials who are responsible for financial management within the municipality (Government Gazette 29967 ON 15 June 2007) these cover Accounting Officer , Senior Managers ,Finance Officials and other responsible officials for financial management of municipalities and entities

These regulations include inter alia, require the officials covered by these regulations to meet minimum competency regulations in four categories below

- 1 . Higher educational qualification
- 2 . Work related experience
- 3 . Core managerial and occupational competencies
- 4 . Financial and Supply Chain Management competencies.

Table 4.5.2 provides a brief of progress made in 2012/2013 financial year. The following categories have enrolled and some completed the competencies

Accounting officer

1 senior manager

Head of Supply Chain.

Head of Revenue, 5

5 Finance officials

4 Interns

# Chapter 4

The municipality heavily relies on external funding for the fulfilment of its skills development function and therefore the process cannot be expedited.

T 4.5.4

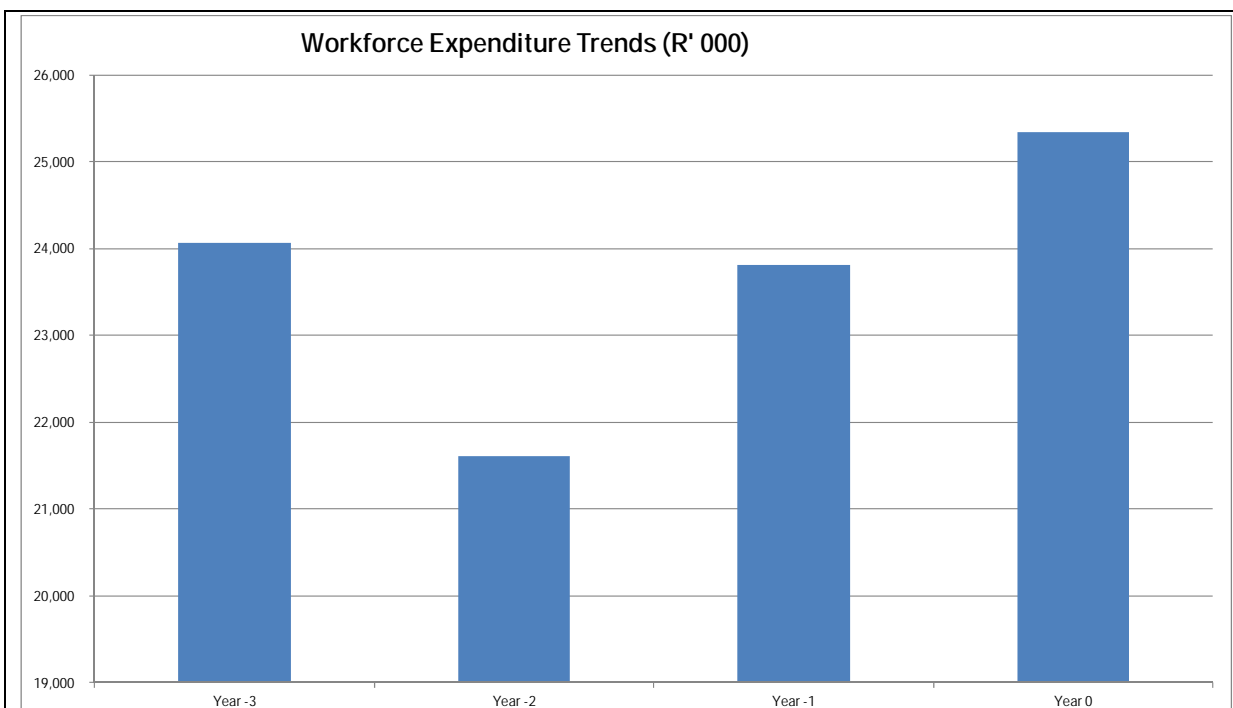
## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

A Workplace Skills Plan was approved and designed to address the skills challenges mainly at Budget and Treasury office, middle management and Senior Management. Every employee fills in their WSP matrix questionnaire and have managers develop the Standard Operating Procedure so that there can be clear job descriptions and personal development plans approved. This enables a structure and focused capacitation plan so as to make the institution highly competitive. .

T 4.6.0

## 4.6 EMPLOYEE EXPENDITURE



Source: MBRR SA22

T 4.6.1

### COMMENT ON WORKFORCE EXPENDITURE:

**Delete Directive note once comment is completed** – Explain the spending pattern in the context of the actual and two previous years plus the budget year. Refer to implications for workforce ratio in Chapter 5. Comment on factors influencing workforce expenditure during the year.

# Chapter 4

T 4.6.1.1

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
General Workers	10	2	4993.00 - 5236.00	
Senior Housing Officer	1	6	6482.00-8415.00	
Registration Clerk	2	2	6782.00-8415.00	
Cleaners	2	2	4993.00-5236.00	
Cashiers	2	2	5491.00-7127.00	
Secretary	2	7	7837.00-10173.00	
Supervisors	2	7	8823.00-11452.00	
Traffic Officer	2	8	8823.00-11452.00	
Accountant	1	11	13204.00 - 17139.00	
Sperintendant Electricity1	1	10	1184-14517.00	
Housing Clecck	2	5	5491.00-7127.00	
				T 4.6.3

Employees appointed to posts not approved				
<u>Department</u>	<u>Level</u>	<u>Date of appointment</u>	<u>No. appointed</u>	<u>Reason for appointment when no established post exist</u>
				-
				-
				T 4.6.4



# Chapter 4

## COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

The Municipal Organisational Structure approved by Council on the 07 March 2013 with resolution number 15/2013 with the assistance of Spontaneous Management Consulting to verify whether there is alignment of the structure with IDP and whether it does commensurate with resources, included the above lists of officials whose responsibilities have since been enhanced with those ordinarily would not be performed by the relevant officer if the full required organogram were to be populated. Some posts are incumbent to holder situation to the situation the municipality inherited. The structure comprised of 232 filled and unfilled posts

T 4.6.5

## DISCLOSURES OF FINANCIAL INTERESTS

**Delete Directive note once comment is completed** – Refer to disclosures made by officials and councillors concerning their financial interests as required by PM Regulations 805 of 2006 are set out in **Appendix J**. Make other comments as appropriate.

T 4.6.6

# Chapter 4

## INTRODUCTION

**Delete Directive note once comment is completed** - Provide a brief introduction to your municipality's organisational development function.

T 4.0.1

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Vacancy Rate: Year 0			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0.00
CFO	1	1	100.00
Other S57 Managers (excluding Finance Posts)	10	1	10.00
Other S57 Managers (Finance posts)	3	1	33.33
Police officers	12	3	25.00
Fire fighters	20	3	15.00
Senior management: Levels 13-15 (excluding Finance Posts)	25	5	20.00
Senior management: Levels 13-15 (Finance posts)	6	2	33.33
Highly skilled supervision: levels 9-12 (excluding Finance posts)	35	8	22.86
Highly skilled supervision: levels 9-12 (Finance posts)	8	1	12.50
<b>Total</b>	<b>121</b>	<b>25</b>	<b>20.66</b>
<i>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>			

T 4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	50	18	36%
Year -1	50	12	24%
Year 0	50	10	20%
<i>* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year</i>			

T 4.1.3

# Chapter 4

## COMMENT ON VACANCIES AND TURNOVER:

**Delete Directive note once comment is completed** - Detail the attempts made to fill the posts of senior management and highly skilled supervision and explain why there are no appropriate internal staff to fill the vacancies. Explain how long, at a minimum, the section 57 vacancies (including MM and CFO) have remained unfilled and the reasons for this. Give reasons for the turnover rate experienced by your municipality. Explain measures taken to successfully attract and retain staff.

T 4.1.4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

*Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.*

**Delete Directive note once comment is completed** – Discuss the range and emphasis of workforce management at your municipality and briefly mention progress made with the development of workforce policies and management practices during the year.

T 4.2.0

# Chapter 4

## 4.2 POLICIES

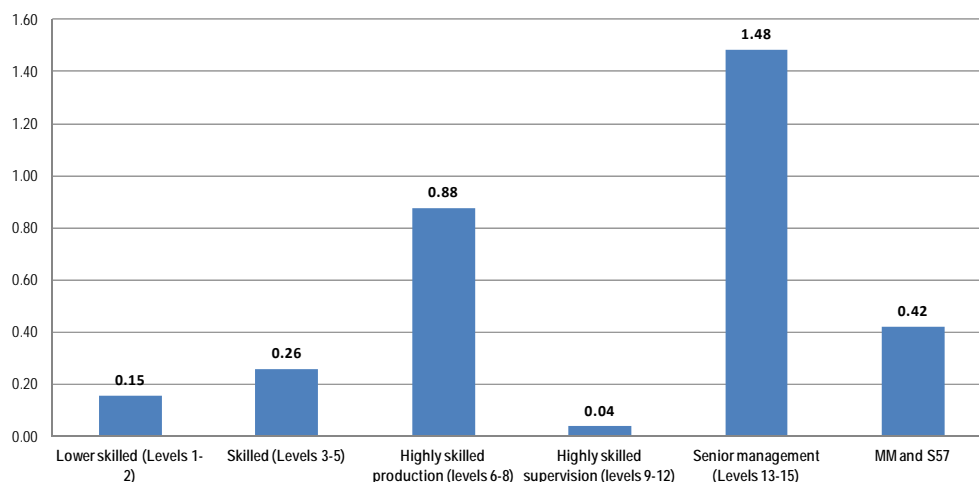
## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Levels 1-2)	24	90%	10	30	0.15	30
Skilled (Levels 3-5)	40			22	0.26	
Highly skilled production (levels 6-8)	136			58	0.88	
Highly skilled supervision (levels 9-12)	6	95%	2	26	0.04	31
Senior management (Levels 13-15)	230			11	1.48	
MM and S57	65			8	0.42	
<b>Total</b>	<b>501</b>	<b>93%</b>	<b>12</b>	<b>155</b>	<b>3.23</b>	<b>61</b>
* - Number of employees in post at the beginning of the year						
*Average is calculated by taking sick leave in column 2 divided by total employees in column 5						

T 4.3.2

# Chapter 4

Average Number of Days Sick Leave (excluding IOD)



T 4.3.3

## COMMENT ON INJURY AND SICK LEAVE:

**Delete Directive note once comment is completed** – Comment on injury and sick leave indicated in the above tables. Explain steps taken during the year to reduce injuries and follow-up action in relation to injury and sick leave (e.g. are injuries examined by the municipality's own doctor; are those taking long or regular periods of sick leave monitored by municipality's doctor; and are personal records maintained of the number of instances of sick leave and amount of time taken each year?)

T 4.3.4

# Chapter 4

## 4.4 PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	20	9		45%
	Male	30	12		
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female				
	Male				
Total		50	21		
Has the statutory municipal calculator been used as part of the evaluation process ?					Yes/No
<p>Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</p>					

T 4.4.1

# Chapter 4

# Chapter 4

## 4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 0											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target
MM and s57	Female		5						0	1				1
	Male		5						1	2		1		2
Councillors, senior officials and managers	Female		2						3	3		3		3
	Male		3						4	4		4		4
Technicians and associate professionals*	Female		4						2	2		2		2
	Male		8						8	9		8		9
Professionals	Female		8						6	6		6		6
	Male		6						2	2		2		2
Sub total	Female		19						11	12		11		12
	Male		22						15	17		15		17
Total		0	82	0	0	0	0	0	52	58	0	52		58

\*Registered with professional Associate Body e.g CA (SA)



# Chapter 4

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>	0	0	0	0	0	0
<i>Chief financial officer</i>	0	0	0	0	0	0
<i>Senior managers</i>	0	0	0	0	0	0
<i>Any other financial officials</i>	0	0	0	0	0	0
<b>Supply Chain Management Officials</b>						
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	1	1	1
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>

\* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

T 4.5.2

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female						10	20	10	20
	Male						20	25	20	25
Legislators, senior officials and managers	Female									
	Male									
Professionals	Female									
	Male									
Technicians and associate professionals	Female									
	Male									
Clerks	Female									
	Male									
Service and sales workers	Female									
	Male									
Plant and machine operators and assemblers	Female									
	Male									
Elementary occupations	Female									
	Male									
Sub total	Female						10	20	10	20
	Male						20	25	20	25
Total		0	0	0	0	0	30	45	30	45
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%*	*R

# Chapter 4

## COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

**Delete Directive note once comment is completed** – Comment on the adequacy of training plans and the effectiveness of implementation at your municipality. Explain variances between actual and budgeted expenditure. Also comment on the adequacy of funding (e.g. is it intended to increase or decrease this level of spending in future years and how is the value of the training activity assessed?) Refer to MFMA Competency Regulations, the range of officials to which it relates and the deadline of 2013 by which it will become fully effective. Discuss the progress made on implementation at your municipality as reflected in T4.5.4 above.

T 4.5.4

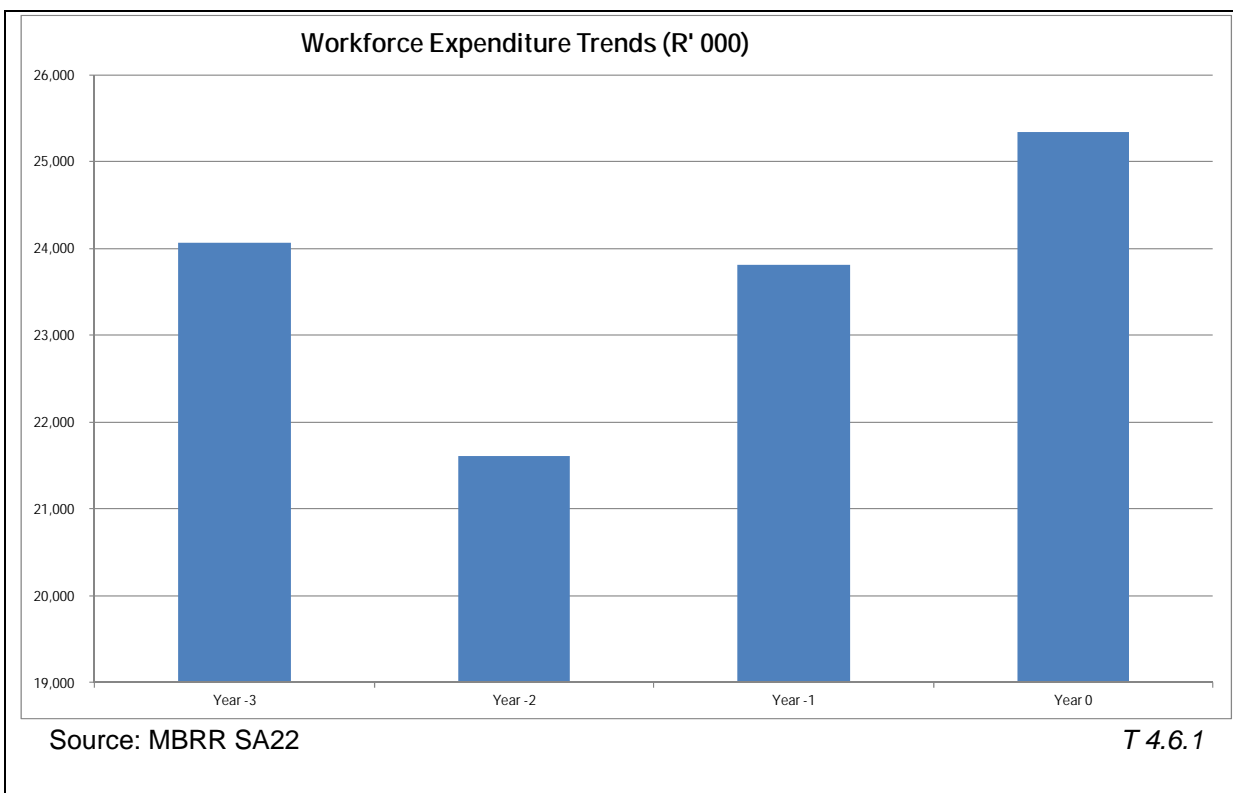
## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

**Delete Directive note once comment is completed** – Explain the importance of managing workforce expenditure, the pressures to overspend and how spending is controlled (e.g. within approved establishment and against budget and anticipated vacancy rates arising from turnover). Also explain how municipality seeks to obtain value for money from work force expenditure.

T 4.6.0

## 4.6 EMPLOYEE EXPENDITURE



# Chapter 4

## COMMENT ON WORKFORCE EXPENDITURE:

**Delete Directive note once comment is completed** – Explain the spending pattern in the context of the actual and two previous years plus the budget year. Refer to implications for workforce ratio in Chapter 5. Comment on factors influencing workforce expenditure during the year.

#### T 4.6.1.1

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	
	Male	
Skilled (Levels 3-5)	Female	
	Male	
Highly skilled production (Levels 6-8)	Female	
	Male	
Highly skilled supervision (Levels9-12)	Female	
	Male	
Senior management (Levels13-16)	Female	
	Male	
MM and S 57	Female	
	Male	
Total		0
<i>Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as</i>		<i>T 4.6.2</i>

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation

T 4.6.3

[illegible]

# Chapter 4

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

**Delete Directive note once comment is completed** – Comment on T4.6.2 as appropriate and give further explanations as necessary with respect to T4.6.3 and T4.6.4.

T 4.6.5

## DISCLOSURES OF FINANCIAL INTERESTS

*Councilors and official disclose their financial status each and every year as per the Act* T 4.6.6

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments during the year under review. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

**Delete Directive note once comment is completed** - Please explain how your municipality sought to contain inflationary pressures during the financial year. Take the 5 most expensive consultancy arrangements in year 0 and explain the costs, the reasons for the engagements and the results. Include such other introductory remarks as you wish.

T 5.0.1

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

*Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**.*

This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality during the reporting year. Our assessment is informed by the audited AFS that were submitted for the 2013/14 financial year.

T 5.1.0

# Chapter 5

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description  R thousands	Year 0											Year -1			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Financial Performance</b>															
Property rates			-			-									
Service charges			-			-									
Investment revenue			-			-									
Transfers recognised - operational			-			-									
Other own revenue			-			-									
<b>Total Revenue (excluding capital transfers and contributions)</b>															
Employee costs			-			-									
Remuneration of councillors			-			-									
Debt impairment			-			-									
Depreciation & asset impairment			-			-									
Finance charges			-			-									
Materials and bulk purchases			-			-									
Transfers and grants			-			-									
Other expenditure			-			-									
<b>Total Expenditure</b>															
<b>Surplus/(Deficit)</b>															
Transfers recognised - capital			-			-									
Contributions recognised - capital & contributed assets			-			-									
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>															
Share of surplus/ (deficit) of associate			-			-									
<b>Surplus/(Deficit) for the year</b>															
<b>Capital expenditure &amp; funds sources</b>															
<b>Capital expenditure</b>															
Transfers recognised - capital			-			-									
Public contributions & donations			-			-									
Borrowing			-			-									
Internally generated funds			-			-									
<b>Total sources of capital funds</b>															
<b>Cash flows</b>															
Net cash from (used) operating			-			-									
Net cash from (used) investing			-			-									
Net cash from (used) financing			-			-									
<b>Cash/cash equivalents at the year end</b>															

T 5.1.1

# Chapter 5

Description	Year 0										
	Original Budget	Budget Adjustments (I.to. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (I.to. s31 of the MFMA)	Virement (I.to. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
R thousands	1	2	3	4	5	6	7	8	9	10	11
<b>Financial Performance</b>											
Property rates	6 924	1 030	7 954	-	-	7 954	7 637	-	(316)	96.03	110.31
Service charges	46 304	(18 781)	27 523	-	-	27 523	23 235	-	(4 288)	84.42	50.18
Investment revenue	1 071	20	1 091	-	-	1 091	182	-	(909)	16.68	16.98
Transfers recognised - operational	37 609	(6 020)	31 589	-	117	31 706	16 308	-	(15 397)	51.44	13.36
Other own revenue	328	200	528	-	(1)	527	427	-	(101)	80.9	130.35
	92 236	(23 552)	68 684	-	116	68 800	47 789	-	(21 011)		
<b>Total Revenue (excluding capital transfers and contributions)</b>											
Employee costs	38 058	(6 382)	31 677		413	32 090	29 605		(2 485)	92.26	77.79
Remuneration of councillors	1 781	1 134	2 915		(7)	2 908	2 853		(54)	98.13	160.23
Debt impairment	2 506		2 506		450	2 956	4 268	1 312	1 312	0	0
Depreciation & asset impairment	8 094		8 094			8 094	19 967	11 873	11 873	246.68	246.68
Finance charges	1 958	651	2 610		(210)	2 400	4 595	2 195	2 195	191.47	234.64
Materials and bulk purchases	38 807		38 807			38 807	18 390		(20 417)	47.39	47.39
Transfers and grants	31 020	(2 359)	28 661		83	28 744	1 101		(27 642)	3.83	3.55
Other expenditure	18 136	(2 213)	15 924		(471)	15 453	12 977		(2 476)	83.98	155
<b>Total Expenditure</b>	140 361	(9 168)	131 193		259	131 452	93 756	15 379	(37 695)		
<b>Surplus/(Deficit)</b>	(48 125)	(14 384)	(62 509)	-	(143)	(62 652)	(45 967)	(15 379)	16 685		
Transfers recognised - capital	19 383		19 383			19 383	27 216		7 833	140.41	140.41

## COMMENT ON FINANCIAL PERFORMANCE:

The audited AFS reflect that the municipality was able to generate a loss of R24.9 million. Granted, institutions of government are not in the business of making profits but it is important to at least break-even.

The municipality was able to realize about 55% of its budgeted operating revenue which is R53.8 million. In terms of its trading services, we were able to collect 96.03% for property rates and 84.4% on other service charges.

We were able to incur approximately R15.3 million on unauthorized expenditure during the year under review. The major expenditure items in this regard were depreciation (R11.8 million), impairment losses (R1.3 million) and finance costs (R2.1 million). This issue has also been raised by the Auditor General in his report on the 2013/14 financial statements and an action plan has already been developed to address the finding.

# Chapter 5

## 5.2 GRANTS

### COMMENT ON OPERATING TRANSFERS AND GRANTS:

*Note: For Municipal Infrastructure Grant (MIG) see T5.8.3. For other conditional transfers including Neig*

R' 000						
Description	Year -1	Year 0			Year 0 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustment s Budget (%)
<b>Operating Transfers and Grants</b>						
National Government:	37 932	37 932	37 932	38 405	101.25%	101.25%
Equitable share	25 608	25 608	25 608	25 608	100.00%	100.00%
Municipal Systems Improvement	890	890	890	891	100.06%	100.06%
Department of Water Affairs	-	-	-	-	0.00%	0.00%
Levy replacement	-	-	-	-	0.00%	0.00%
MIG	11 434	11 434	11 434	11 907	104.13%	104.13%
Provincial Government:	1 500	1 500	1 500	662		
Health subsidy	-	-	-	-	0.00%	0
Housing	-	-	-	-	0.00%	0
Ambulance subsidy	-	-	-	-	0.00%	0
Sports and Recreation	-	-	-	-	0.00%	0
DEDEA	1 500	1 500	1 500	662	44.16%	44.16%
District Municipality:	-	-	-	-		
<i>[insert description]</i>						
Other grant providers:	2 650	2 650	2 650	2 638		
EPWP	1 000	1 000	1 000	988	98.80%	98.80%
FMG	1 650	1 650	1 650	1 650	100.00%	100.00%
<b>Total Operating Transfers and Grants</b>	<b>42 082</b>	<b>42 082</b>	<b>42 082</b>	<b>41 706</b>	<b>99.11%</b>	<b>99.11%</b>

The capital projects of the municipality for the year under review were funded from government grants. The municipality was able to spend 99.1% of its conditional grants for the year.

The major projects for the year under review were roads projects as well as upgrade of the town hall in Burgersdorp.



# Chapter 5

## 5.3 ASSET MANAGEMENT

### INTRODUCTION TO ASSET MANAGEMENT

Provide a brief overview on Asset Management as practiced within your organisation and outline the key elements of your Asset Management Policy. Explain how asset management is organised, the staff involved and the key delegations. Describe key issues under development. Indicate the approach to capacity development for this activity. Refer to the illustrations of asset management approach in relation to the new assets set out below.

*T 5.3.1*

# Chapter 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0				
Asset 1				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
	Year -3	Year -2	Year -1	Year 0
Asset Value				
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 2				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
	Year -3	Year -2	Year -1	Year 0
Asset Value				
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 3				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
	Year -3	Year -2	Year -1	Year 0
Asset Value				
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
				T 5.3.2

# Chapter 5

## COMMENT ON ASSET MANAGEMENT:

With reference to the three projects approved in the year, set out above, describe how these projects were evaluated from a cost and revenue perspective, including Municipal tax and tariff implications (See MFMA section 19 (2) (a) & (b) and MSA section 74 (2) (d), (e) & (i)). Ensure that these projects are maintained on files that are readily accessible for audit inspection. Financial data regarding asset management may be sourced from **MBRR Table A9**

T 5.3.3

Repair and Maintenance Expenditure: Year 0				
R'000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	R 2 849	R 126	R 1 104	39%

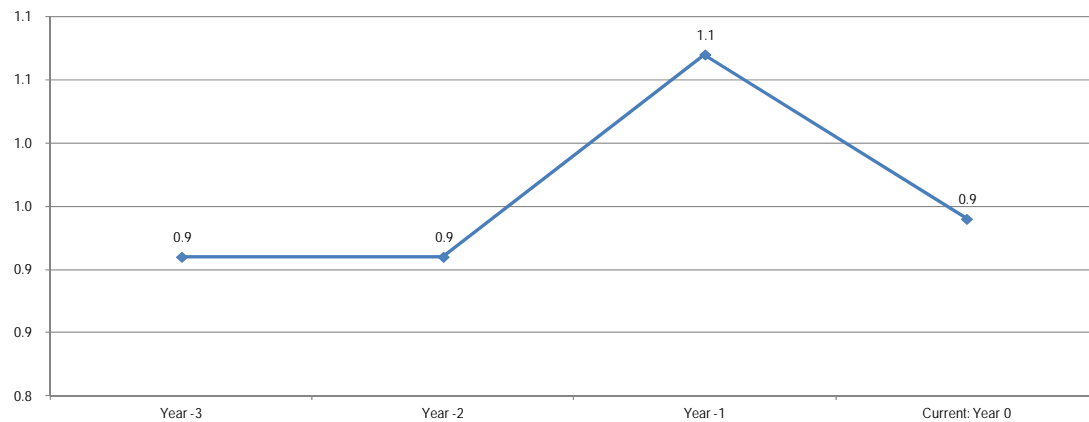
## COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

The municipality has spent 39% of the budgeted amount on repairs and maintenance. This is due to cash flow challenges that have confronted the municipality through the years. Admittedly, this has a negative impact on the lifespan and durability of the assets.

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

# Chapter 5

## Liquidity Ratio

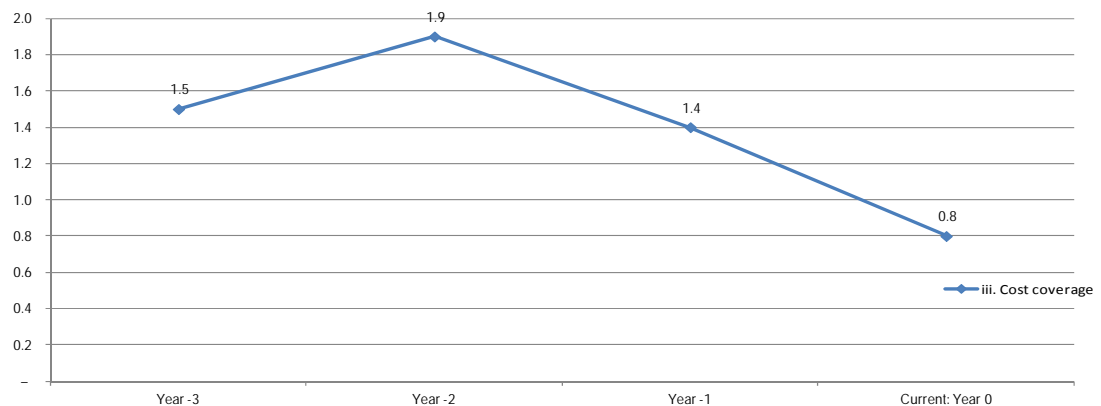


Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year ) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

T 5.4.1

## Cost Coverage



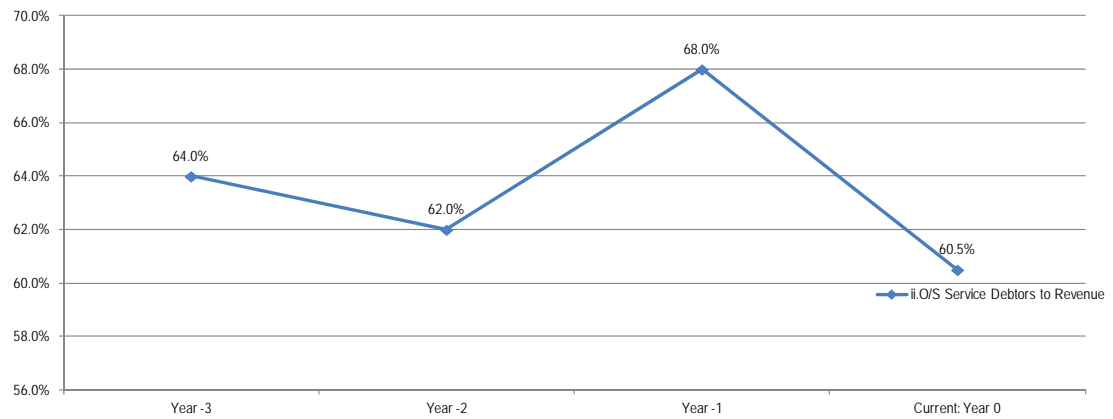
Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

T 5.4.2

# Chapter 5

## Total Outstanding Service Debtors

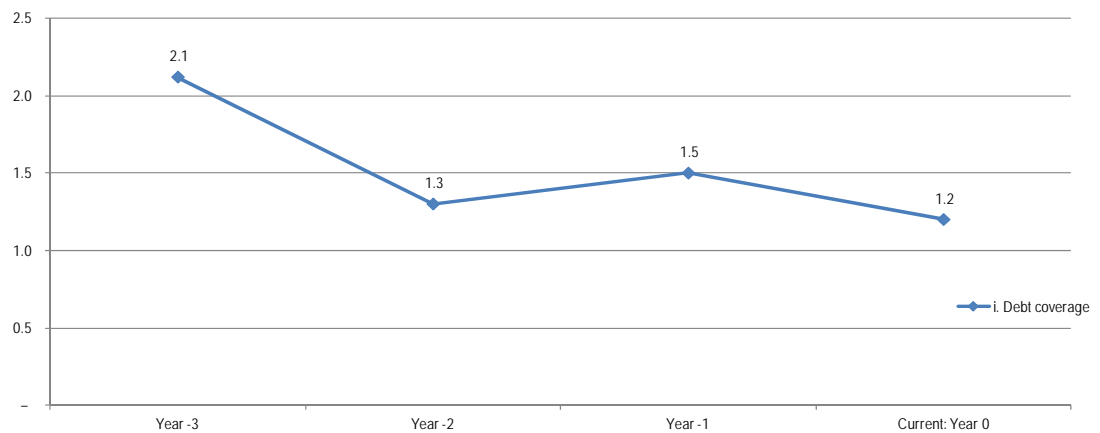


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

T 5.4.3

## Debt Coverage



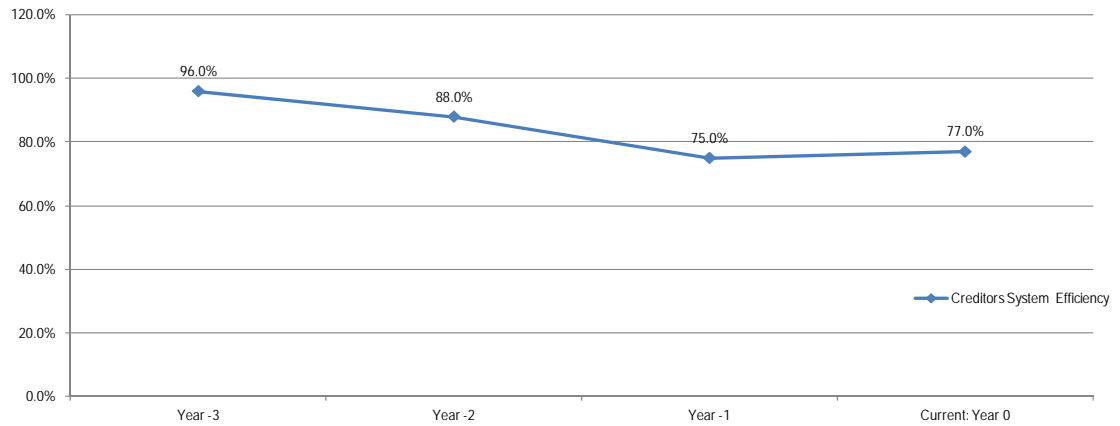
Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

T 5.4.4

# Chapter 5

## Creditors System Efficiency

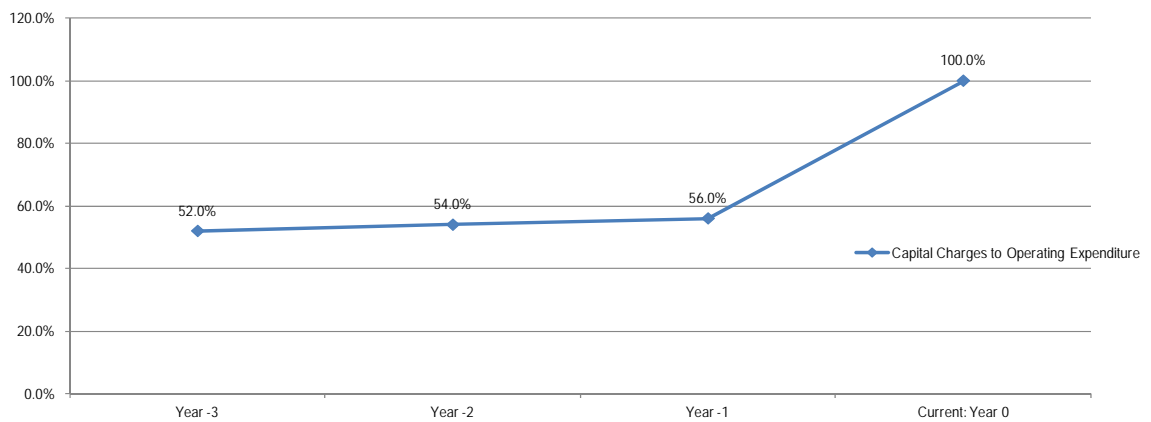


Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

T 5.4.5

## Capital Charges to Operating Expenditure



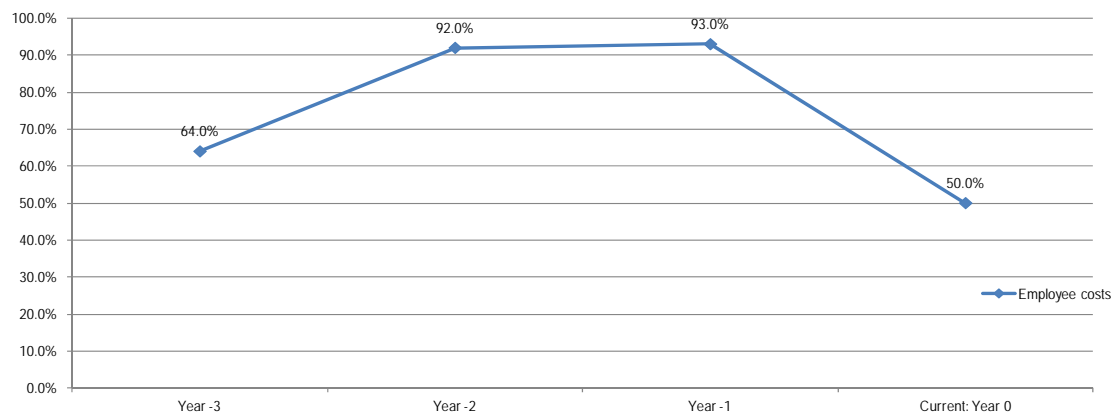
Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

T 5.4.6

# Chapter 5

## Employee Costs

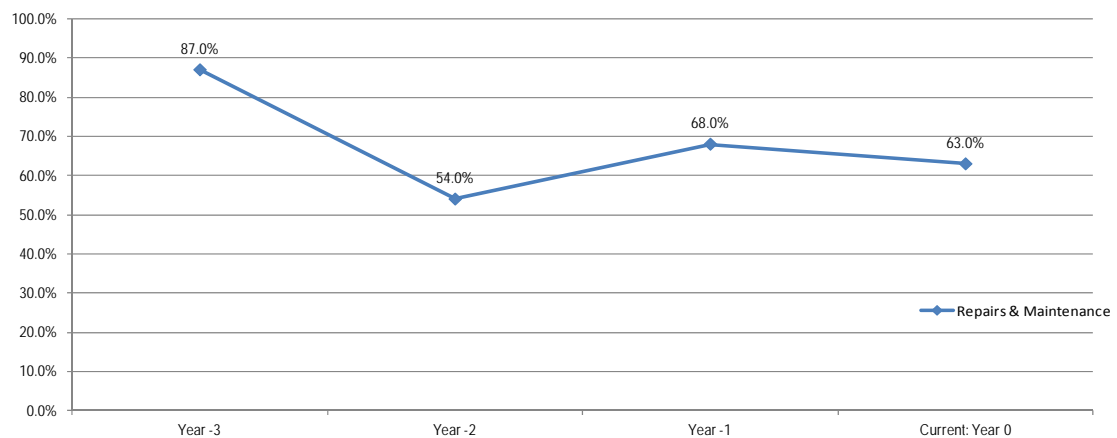


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T 5.4.7

## Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

T 5.4.8

# Chapter 5

## COMMENT ON FINANCIAL RATIOS:

**Delete Directive note once comment is completed** - Comment on the financial health of the municipality / municipal entities revealed by the financial ratios set out above. These ratios are derived from table **SA8 of the MBRR**.

T 5.4.9

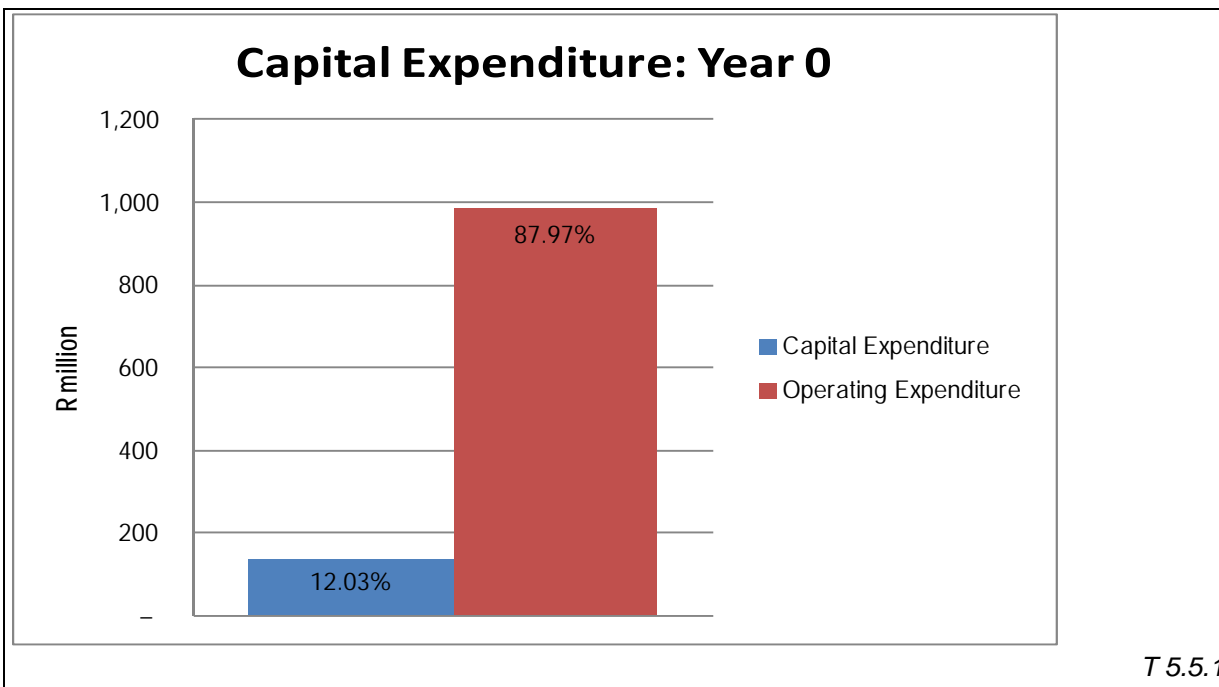
## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

**Delete Directive note once comment is completed** – Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. Component B deals with capital spending indicating where the funding comes from and whether Municipalities are able to spend the available funding as planned. In this component it is important to indicate the different sources of funding as well as how these funds are spend. Highlight the 5 largest projects (see T5.7.1) and indicate what portion of the capital budget they use. In the introduction briefly refer to these key aspects of capital expenditure (usually relating to new works and renewal projects) and to **Appendices M** (relating to the new works and renewal programmes), **N** (relating to the full programme of full capital projects, and **O** (relating to the alignment of projects to wards).

T 5.5.0

## 5.5 CAPITAL EXPENDITURE





# Chapter 5

## 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: Year -1 to Year 0						
R' 000						
Details	Year -1	Year 0				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>						
External loans	3542	5500	5520	5511	0.36%	0.20%
Public contributions and donations	248	300	390	421	30.00%	40.33%
Grants and subsidies	3451	3700	3700	3856	0.00%	4.22%
Other	2451	4500	4600	4565	2.22%	1.44%
<b>Total</b>	<b>9692</b>	<b>14000</b>	<b>14210</b>	<b>14353</b>	<b>32.59%</b>	<b>46.19%</b>
<b>Percentage of finance</b>						
External loans	36.5%	39.3%	38.8%	38.4%	1.1%	0.4%
Public contributions and donations	2.6%	2.1%	2.7%	2.9%	92.1%	87.3%
Grants and subsidies	35.6%	26.4%	26.0%	26.9%	0.0%	9.1%
Other	25.3%	32.1%	32.4%	31.8%	6.8%	3.1%
<b>Capital expenditure</b>						
Water and sanitation	1845	4300	4250	4256	-1.16%	-1.02%
Electricity	1562	2400	2480	2453	3.33%	2.21%
Housing	1243	2700	2800	2685	3.70%	-0.56%
Roads and storm water	1352	1500	1400	1486	-6.67%	-0.93%
Other	3690	3500	3450	3473	-1.43%	-0.77%
<b>Total</b>	<b>9692</b>	<b>14400</b>	<b>14380</b>	<b>14353</b>	<b>-2.22%</b>	<b>-1.08%</b>
<b>Percentage of expenditure</b>						
Water and sanitation	19.0%	29.9%	29.6%	29.7%	52.4%	95.2%
Electricity	16.1%	16.7%	17.2%	17.1%	-150.1%	-205.4%
Housing	12.8%	18.8%	19.5%	18.7%	-166.8%	51.7%
Roads and storm water	13.9%	10.4%	9.7%	10.4%	300.2%	86.8%
Other	38.1%	24.3%	24.0%	24.2%	64.3%	71.7%

T 5.6.1

### COMMENT ON SOURCES OF FUNDING:

**Delete Directive note once comment is completed** – Explain any variations from the approved budget of more than 10% and discuss the total capital expenditure as a viable proportion of total expenditure.

T 5.6.1.1

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

# Chapter 5

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 0	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Name of Project	26,000	26,500	25,700	1%	-2%
B - Name of Project	19,500	19,750	19,900	-2%	-1%
C - Name of Project	15,700	15,700	15,500	1%	0%
D - Name of Project	12,000	11,800	11,700	3%	2%
E - Name of Project	11,500	11,000	11,250	2%	4%
* Projects with the highest capital expenditure in Year 0					
Name of Project - A					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - B					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - C					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - D					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - E					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
T 5.7.1					

## COMMENT ON CAPITAL PROJECTS:

**Delete Directive note once comment is completed** - Provide information in the template above on the 5 largest projects, ranked according to their approved budget provision year 0. Comment on the variance between the original and adjustment budgets and on availability of future Budget provision to operate the projects and lessons learnt in the year about capital project implementation on time to budget.

T 5.7.1.1

# Chapter 5

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

### INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

**Delete Directive note once comment is completed** – Explain that need and cost of backlogs are the result of migration into an area; migration out of an area; the trend towards disaggregation of families into more than one housing unit; and the cost of renewing and upgrading core infrastructure. Explain how this balance effects net demand in your municipality and how your municipality is responding to the challenges created.

T 5.8.1

Service Backlogs as at 30 June Year 0				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water		%		%
Sanitation		%		%
Electricity		%		%
Waste management		%		%
Housing		%		%
% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.				

T 5.8.2

Municipal Infrastructure Grant (MIG)* Expenditure Year 0 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport				%	%	
Roads, Pavements & Bridges				%	%	
Storm water				%	%	
Infrastructure - Electricity				%	%	
Generation				%	%	
Transmission & Reticulation				%	%	
Street Lighting				%	%	
Infrastructure - Water				%	%	
Dams & Reservoirs				%	%	
Water purification				%	%	
Reticulation				%	%	
Infrastructure - Sanitation				%	%	
Reticulation				%	%	
Sewerage purification				%	%	
Infrastructure - Other				%	%	
Waste Management				%	%	
Transportation				%	%	
Gas				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	
* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

T 5.8.3

# Chapter 5

## COMMENT ON BACKLOGS:

**Delete Directive note once comment is completed** - Comment on how MIG grants have been utilised to redress the backlogs and on the variances in T 5.8.3. If appropriate, comment that **Appendix P** contains details of schools and clinics that have been established that do not have ready access to one or more basic services and **Appendix Q** contains details of those services provided by other spheres of government (whether the municipality is involved on an agency basis or not) that carry significant backlogs.

T 5.8.4

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

**Delete Directive note once comment is completed** – Give a brief comment on the importance of cash flow management. Refer to the scope of this activity as indicated in this component and what you regard as the key management features of your municipality's approach. Refer to any other cash flow issues of current relevance to your municipality that are not adequately provided for in the format of this component.

T 5.9

# Chapter 5

## 5.9 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	Year -1	Current: Year 0		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other				
Government - operating				
Government - capital				
Interest				
Dividends				
<b>Payments</b>				
Suppliers and employees				
Finance charges				
Transfers and Grants				
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	-	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
<b>Payments</b>				
Capital assets				
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	-	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
<b>Payments</b>				
Repayment of borrowing				
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	-	-	-	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	-	-	-	-
Cash/cash equivalents at the year begin:				-
Cash/cash equivalents at the year end:		-	-	-
Source: MBRR A7				T 5.9.1

# Chapter 5

## COMMENT ON CASH FLOW OUTCOMES:

**Delete Directive note once comment is completed** - Supply a brief summary about the cash flow status of the municipality. Explain variances from Original and Adjustment Budget to Actual. Include information on operating activities and what effect they had on cash flow and on cash backing of surpluses. Information regarding cash flow may be sourced from **Table A7 of the MBRR**.

T 5.9.1.1

## 5.10 BORROWING AND INVESTMENTS

### INTRODUCTION TO BORROWING AND INVESTMENTS

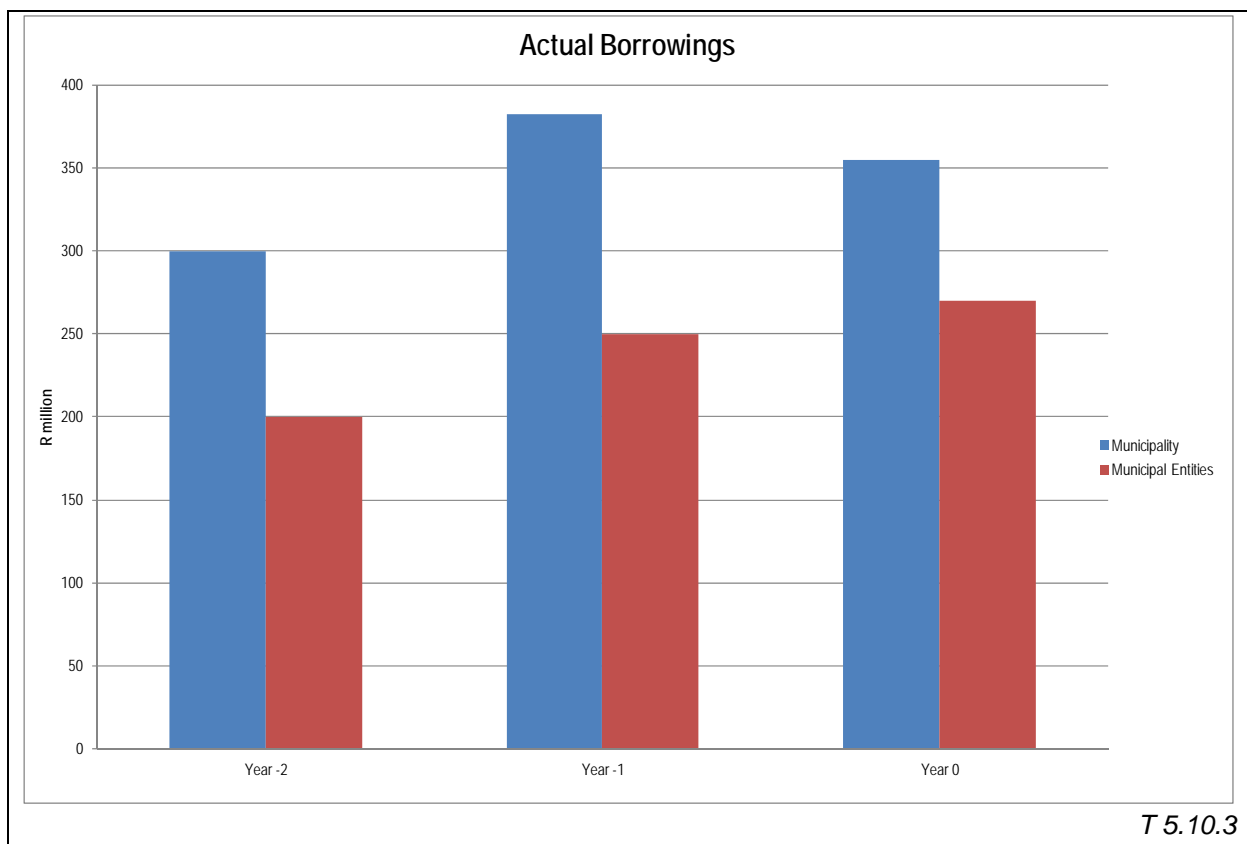
**Delete Directive note once comment is completed** – Explain briefly the relevance of borrowing and investments to you municipality with reference to the tables below and your municipality's requirements in the year. Information may be sourced from **table SA3 AND SA15 in the MBRR**.

T 5.10.1

Actual Borrowings: Year -2 to Year 0			
	R' 000		
Instrument	Year -2	Year -1	Year 0
<b>Municipality</b>	300	382	355
Long-Term Loans (annuity/reducing balance)	200	250	270
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>500</b>	<b>632</b>	<b>625</b>
<b>Municipal Entities</b>			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Entities Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

T 5.10.2

# Chapter 5



# Chapter 5

Municipal and Entity Investments			
			R' 000
Investment* type	Year -2	Year -1	Year 0
	Actual	Actual	Actual
<b><u>Municipality</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
<b>Municipality sub-total</b>	0	0	0
<b><u>Municipal Entities</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
<b>Entities sub-total</b>	0	0	0
<b>Consolidated total:</b>	0	0	0
			T 5.10.4



# Chapter 5

## COMMENT ON BORROWING AND INVESTMENTS:

**Delete Directive note once comment is completed** – Make clarifying comments on the above tables as necessary. All investments whether in the form of loans (in cash or kind) made by the municipality but not to one or more of the organisations set out above and all grants (in cash or kind) made to any form of organisation **must** be set out in full at **Appendix R**.

T 5.10.5

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

### PUBLIC PRIVATE PARTNERSHIPS

**Delete Directive note once comment is completed** - Provide overview of agreements, contracts and projects undertaken during the year through PPP's – Refer to further details of PPP details **Appendix H. Table SA3 (MBRR)** may also be used to gain information on PPP's.

T 5.11.1

## COMPONENT D: OTHER FINANCIAL MATTERS

## 5.12 SUPPLY CHAIN MANAGEMENT

### SUPPLY CHAIN MANAGEMENT

**Delete Directive note once comment is completed** - Provide a brief narrative that describes the progress made by your municipality in developing and implementing policies and practices in compliance with the guidelines set out in SCM Regulations 2005. State the number of Supply Chain officials that have reached the prescribed levels required for their positions (See MFMA Competency Regulation Guidelines) and state the number of prescribed officials that are yet to reach the necessary competency levels; and set out any remarks made in the previous Auditor-General's report or the report for year 0 concerning the quality of Supply Chain Management and detail the remedial action taken. Note comments made in Chapter 2, under section 2.8.

T 5.12.1

# Chapter 5

## 5.13 GRAP COMPLIANCE

### GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

**Delete Directive note once comment is completed** – Follow the above with information on progress with GRAP compliance at your municipality. Detail any instances where the municipality has deviated from the GRAP standards currently applicable.

T 5.13.1

## INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

**Delete Directive note once comment is completed** - Please explain how your municipality sought to contain inflationary pressures during the financial year. Take the 5 most expensive consultancy arrangements in year 0 and explain the costs, the reasons for the engagements and the results. Include such other introductory remarks as you wish.

*T 5.0.1*

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

*Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**.*

**Delete Directive note once comment is completed** - This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

*T 5.1.0*

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	Year 0											Year -1			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Financial Performance</b>															
Property rates			-			-									
Service charges			-			-									
Investment revenue			-			-									
Transfers recognised - operational			-			-									
Other own revenue			-			-									
<b>Total Revenue (excluding capital transfers and contributions)</b>															
Employee costs			-			-									
Remuneration of councillors			-			-									
Debt impairment			-			-									
Depreciation & asset impairment			-			-									
Finance charges			-			-									
Materials and bulk purchases			-			-									
Transfers and grants			-			-									
Other expenditure			-			-									
<b>Total Expenditure</b>															
<b>Surplus/(Deficit)</b>															
Transfers recognised - capital			-			-									
Contributions recognised - capital & contributed assets			-			-									
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>															
Share of surplus/ (deficit) of associate			-			-									
<b>Surplus/(Deficit) for the year</b>															
<b>Capital expenditure &amp; funds sources</b>															
<b>Capital expenditure</b>															
Transfers recognised - capital			-			-									
Public contributions & donations			-			-									
Borrowing			-			-									
Internally generated funds			-			-									
<b>Total sources of capital funds</b>															
<b>Cash flows</b>															
Net cash from (used) operating			-			-									
Net cash from (used) investing			-			-									
Net cash from (used) financing			-			-									
<b>Cash/cash equivalents at the year end</b>															

T 5.1.1

# Chapter 5

Financial Performance of Operational Services						
R '000						
Description	Year -1	Year 0			Year 0 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Operating Cost</b>						
Water	26,485	23,572	28,075	23,042	-2.30%	-21.84%
Waste Water (Sanitation)	8,541	8,285	9,054	8,456	2.02%	-7.07%
Electricity	12,355	10,254	12,478	13,219	22.43%	5.61%
Waste Management	14,232	13,235	13,662	12,097	-9.41%	-12.94%
Housing	6,542	5,496	5,954	6,346	13.40%	6.19%
Component A: sub-total	68,155	60,842	69,222	63,161	3.67%	-9.60%
Waste Water (Stormwater Drainage)	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Roads	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Transport	5,322	4,470	5,747	4,630	3.45%	-24.14%
Component B: sub-total	16,607	8,455	8,624	9,554	11.50%	9.73%
Planning	1,254	1,003	1,191	1,354	25.93%	12.04%
Local Economic Development	2,516	2,063	2,264	2,340	11.83%	3.23%
Component B: sub-total	3,769	3,066	3,455	3,693	17.00%	6.46%
Planning (Strategic & Regulatory)	12,546	10,413	11,793	11,542	9.78%	-2.17%
Local Economic Development	2,355	2,190	2,425	2,402	8.82%	-0.98%
Component C: sub-total	14,900	12,603	14,218	13,944	9.62%	-1.97%
Community & Social Services	4,565	3,698	4,337	4,291	13.83%	-1.06%
Environmental Protection	5,649	4,971	6,157	4,971	0.00%	-23.86%
Health	5,649	4,971	6,157	4,971	0.00%	-23.86%
Security and Safety	5,649	4,971	6,157	4,971	0.00%	-23.86%
Sport and Recreation	5,649	4,971	6,157	4,971	0.00%	-23.86%
Corporate Policy Offices and Other	5,649	4,971	6,157	4,971	0.00%	-23.86%
Component D: sub-total	32,808	28,552	35,122	29,145	2.04%	-20.51%
<b>Total Expenditure</b>	<b>136,240</b>	<b>113,518</b>	<b>130,642</b>	<b>119,497</b>	<b>5.00%</b>	<b>-9.33%</b>
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T 5.1.2

## COMMENT ON FINANCIAL PERFORMANCE:

**Delete Directive note once comment is completed** – Comment on variances above 10%.

T5.1.3

# Chapter 5

## 5.2 GRANTS

Grant Performance						
Description	R' 000					
	Year -1	Year 0			Year 0 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	33,977	–	–	24,756		
Equitable share	21,565			17,303		
Municipal Systems Improvement	4,524			2,182		
Department of Water Affairs	6,665			4,283		
Levy replacement	1,222			988		
Other transfers/grants [insert description]						
<b>Provincial Government:</b>	18,925	–	–	5,994		
Health subsidy	8,645			3,786		
Housing	4,865			1,502		
Ambulance subsidy	846			219		
Sports and Recreation	4,568			489		
Other transfers/grants [insert description]						
<b>District Municipality:</b>	–	–	–	–		
[insert description]						
<b>Other grant providers:</b>	–	–	–	–		
[insert description]						
<b>Total Operating Transfers and Grants</b>	52,902	–	–	30,751		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.						T 5.2.1

### COMMENT ON OPERATING TRANSFERS AND GRANTS:

*Note: For Municipal Infrastructure Grant (MIG) see T5.8.3. For other conditional transfers including Neighborhood Development Partnership Grant (NDPG); Public Transport Infrastructure and Systems Grant (PITS) see **Appendix L**.*

**Delete Directive note once comment is completed** – Comment on the variances in the above table and other and indicate high value projects & total the remaining project.

T 5.2.2

# Chapter 5

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant Year -1	Actual Grant Year 0	Year 0 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
<b>Parastatals</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<b>Foreign Governments/Development Aid Agencies</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<b>Private Sector / Organisations</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Provide a comprehensive response to this schedule						T 5.2.3

## COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

**Delete Directive note once comment is completed** – Use this box to provide additional information on grant benefits or conditions and reason for acceptance. Please also provide comments on grant surrendered to the National Revenue Fund with reasons that led to this.

T 5.2.4

## 5.3 ASSET MANAGEMENT

### INTRODUCTION TO ASSET MANAGEMENT

**Delete Directive note once comment is completed** - Provide a brief overview on Asset Management as practiced within your organisation and outline the key elements of your Asset Management Policy. Explain how asset management is organised, the staff involved and the key delegations. Describe key issues under development. Indicate the approach to capacity development for this activity. Refer to the illustrations of asset management approach in relation to the new assets set out below.

T 5.3.1

# Chapter 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0				
Asset 1				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
	Year -3	Year -2	Year -1	Year 0
Asset Value				
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 2				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
	Year -3	Year -2	Year -1	Year 0
Asset Value				
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 3				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
	Year -3	Year -2	Year -1	Year 0
Asset Value				
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
				T 5.3.2



# Chapter 5

## COMMENT ON ASSET MANAGEMENT:

**Delete Directive note once comment is completed** – With reference to the three projects approved in the year, set out above, describe how these projects were evaluated from a cost and revenue perspective, including Municipal tax and tariff implications (See MFMA section 19 (2) (a) & (b) and MSA section 74 (2) (d), (e) & (i)). Ensure that these projects are maintained on files that are readily accessible for audit inspection. Financial data regarding asset management may be sourced from **MBRR Table A9**

T 5.3.3

Repair and Maintenance Expenditure: Year 0				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	125	129	128	-2%

T 5.3.4

## COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

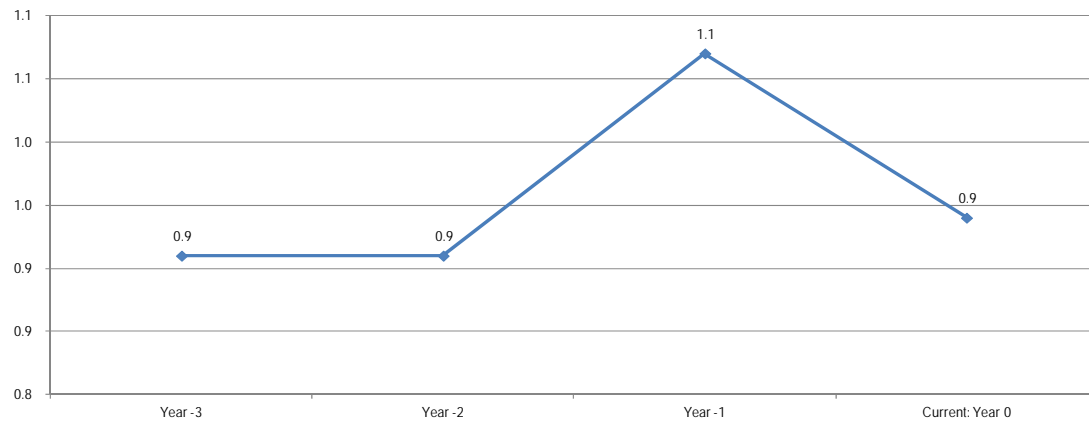
**Delete Directive note once comment is completed** – Comment on adequacy of Repair & Maintenance Expenditure and variances show in T5.3.4 above and on the implications of the proportion of operating budget spend on repairs and maintenance over the past four years set out below. Note that the repairs and maintenance expenditure in T5.3.4 must reconcile with the operational repairs and maintenance expenditure for all services set out in Chapter 3.

T 5.3.4.1

# Chapter 5

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

### Liquidity Ratio

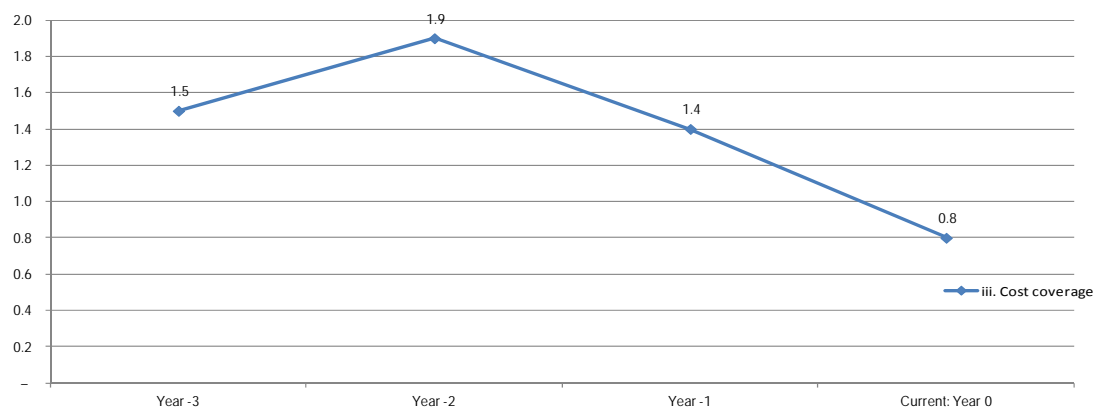


Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year ) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

T 5.4.1

### Cost Coverage



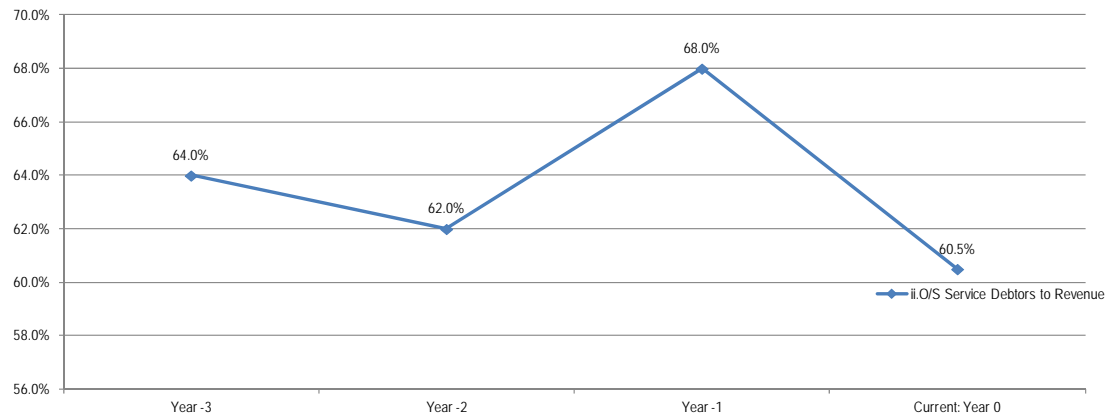
Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

T 5.4.2

# Chapter 5

## Total Outstanding Service Debtors

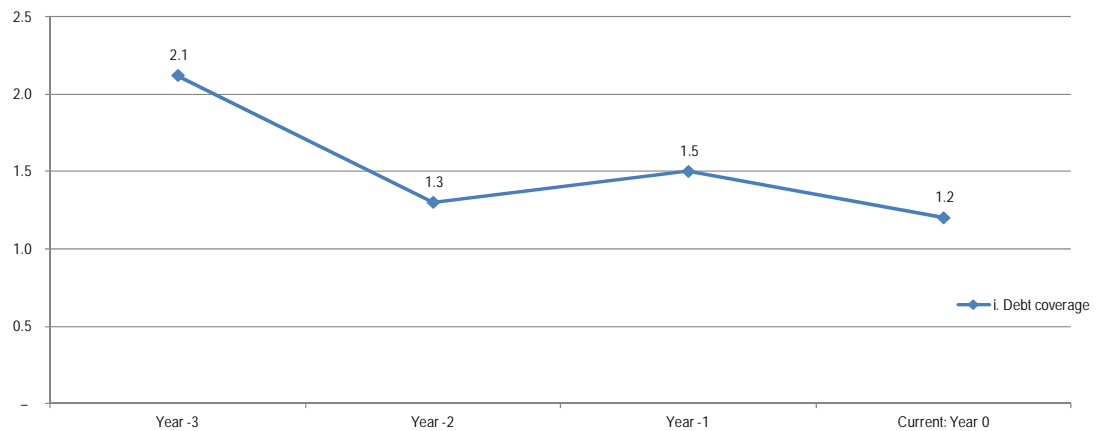


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

T 5.4.3

## Debt Coverage



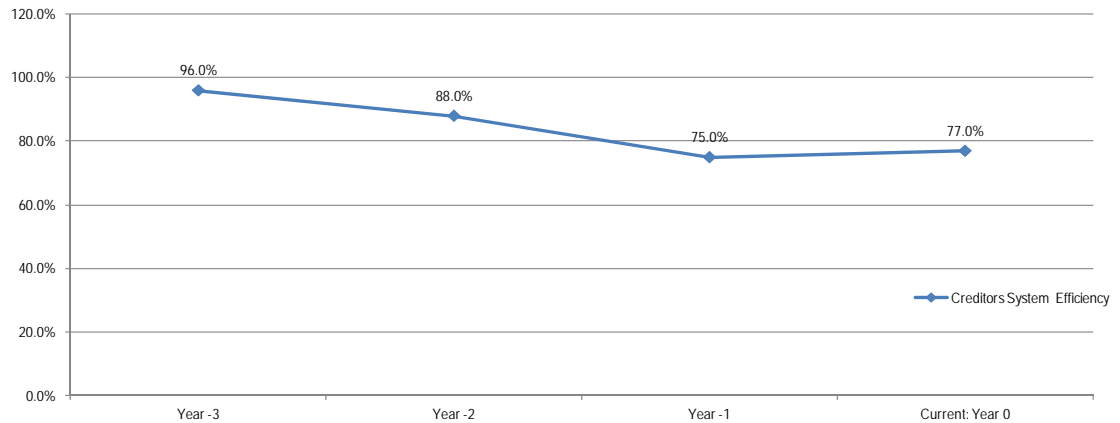
Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

T 5.4.4

# Chapter 5

## Creditors System Efficiency

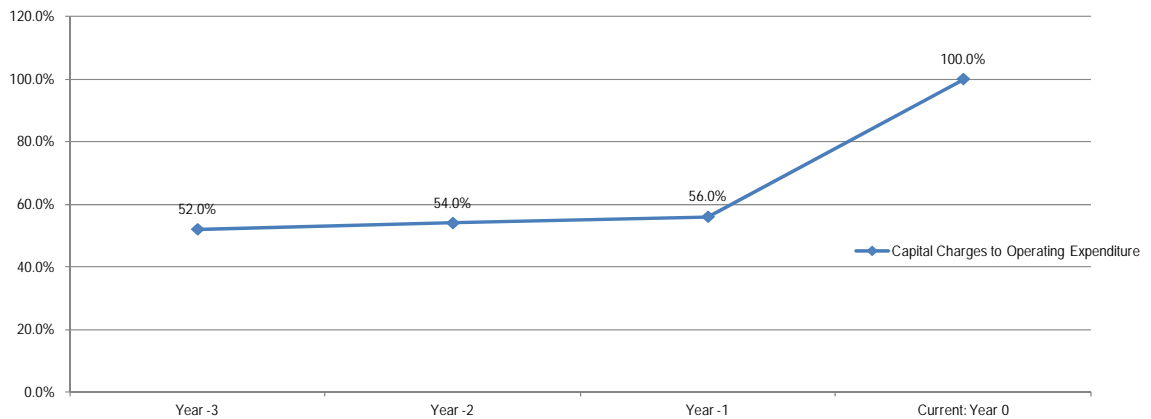


Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

T 5.4.5

## Capital Charges to Operating Expenditure



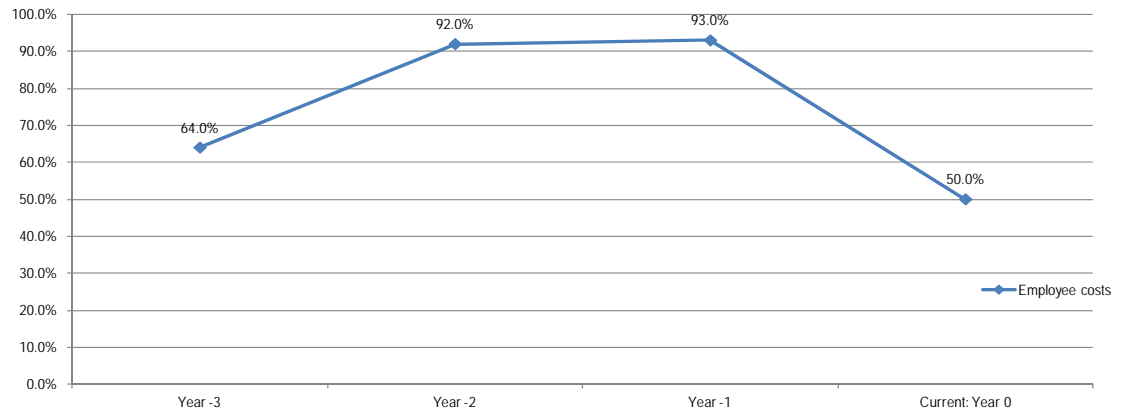
Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

T 5.4.6

# Chapter 5

## Employee Costs

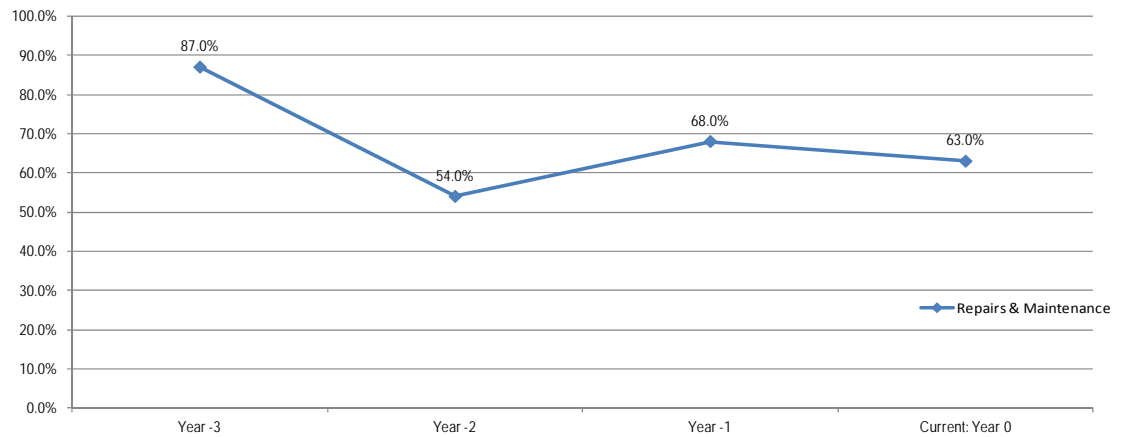


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T 5.4.7

## Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

T 5.4.8

# Chapter 5

## COMMENT ON FINANCIAL RATIOS:

**Delete Directive note once comment is completed** - Comment on the financial health of the municipality / municipal entities revealed by the financial ratios set out above. These ratios are derived from table **SA8 of the MBRR**.

T 5.4.9

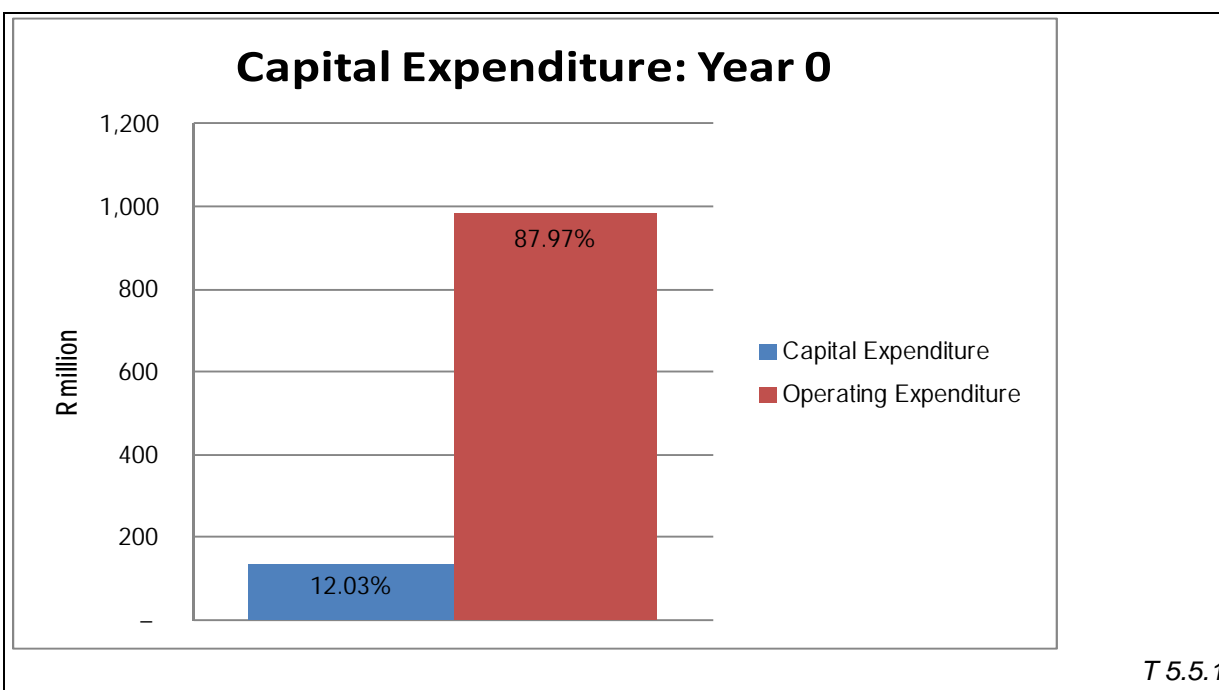
## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

**Delete Directive note once comment is completed** – Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. Component B deals with capital spending indicating where the funding comes from and whether Municipalities are able to spend the available funding as planned. In this component it is important to indicate the different sources of funding as well as how these funds are spend. Highlight the 5 largest projects (see T5.7.1) and indicate what portion of the capital budget they use. In the introduction briefly refer to these key aspects of capital expenditure (usually relating to new works and renewal projects) and to **Appendices M** (relating to the new works and renewal programmes), **N** (relating to the full programme of full capital projects, and **O** (relating to the alignment of projects to wards).

T 5.5.0

## 5.5 CAPITAL EXPENDITURE



# Chapter 5

## 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: Year -1 to Year 0						
R' 000						
Details	Year -1	Year 0				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>						
External loans	3542	5500	5520	5511	0.36%	0.20%
Public contributions and donations	248	300	390	421	30.00%	40.33%
Grants and subsidies	3451	3700	3700	3856	0.00%	4.22%
Other	2451	4500	4600	4565	2.22%	1.44%
<b>Total</b>	<b>9692</b>	<b>14000</b>	<b>14210</b>	<b>14353</b>	<b>32.59%</b>	<b>46.19%</b>
<b>Percentage of finance</b>						
External loans	36.5%	39.3%	38.8%	38.4%	1.1%	0.4%
Public contributions and donations	2.6%	2.1%	2.7%	2.9%	92.1%	87.3%
Grants and subsidies	35.6%	26.4%	26.0%	26.9%	0.0%	9.1%
Other	25.3%	32.1%	32.4%	31.8%	6.8%	3.1%
<b>Capital expenditure</b>						
Water and sanitation	1845	4300	4250	4256	-1.16%	-1.02%
Electricity	1562	2400	2480	2453	3.33%	2.21%
Housing	1243	2700	2800	2685	3.70%	-0.56%
Roads and storm water	1352	1500	1400	1486	-6.67%	-0.93%
Other	3690	3500	3450	3473	-1.43%	-0.77%
<b>Total</b>	<b>9692</b>	<b>14400</b>	<b>14380</b>	<b>14353</b>	<b>-2.22%</b>	<b>-1.08%</b>
<b>Percentage of expenditure</b>						
Water and sanitation	19.0%	29.9%	29.6%	29.7%	52.4%	95.2%
Electricity	16.1%	16.7%	17.2%	17.1%	-150.1%	-205.4%
Housing	12.8%	18.8%	19.5%	18.7%	-166.8%	51.7%
Roads and storm water	13.9%	10.4%	9.7%	10.4%	300.2%	86.8%
Other	38.1%	24.3%	24.0%	24.2%	64.3%	71.7%
<b>T 5.6.1</b>						

### COMMENT ON SOURCES OF FUNDING:

**Delete Directive note once comment is completed** – Explain any variations from the approved budget of more than 10% and discuss the total capital expenditure as a viable proportion of total expenditure.

T 5.6.1.1

# Chapter 5

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	Current: Year 0			Variance: Current Year 0	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Name of Project	26,000	26,500	25,700	1%	-2%
B - Name of Project	19,500	19,750	19,900	-2%	-1%
C - Name of Project	15,700	15,700	15,500	1%	0%
D - Name of Project	12,000	11,800	11,700	3%	2%
E - Name of Project	11,500	11,000	11,250	2%	4%
* Projects with the highest capital expenditure in Year 0					
Name of Project - A					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - B					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - C					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - D					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - E					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
T 5.7.1					

### COMMENT ON CAPITAL PROJECTS:

**Delete Directive note once comment is completed** - Provide information in the template above on the 5 largest projects, ranked according to their approved budget provision year 0. Comment on the variance between the original and adjustment budgets and on availability of future Budget provision to operate the projects and lessons learnt in the year about capital project implementation on time to budget.

T 5.7.1.1



# Chapter 5

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

### INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

**Delete Directive note once comment is completed** – Explain that need and cost of backlogs are the result of migration into an area; migration out of an area; the trend towards disaggregation of families into more than one housing unit; and the cost of renewing and upgrading core infrastructure. Explain how this balance effects net demand in your municipality and how your municipality is responding to the challenges created.

T 5.8.1

Service Backlogs as at 30 June Year 0				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water		%		%
Sanitation		%		%
Electricity		%		%
Waste management		%		%
Housing		%		%
% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.				

T 5.8.2

Municipal Infrastructure Grant (MIG)* Expenditure Year 0 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport				%	%	
Roads, Pavements & Bridges				%	%	
Storm water				%	%	
Infrastructure - Electricity				%	%	
Generation				%	%	
Transmission & Reticulation				%	%	
Street Lighting				%	%	
Infrastructure - Water				%	%	
Dams & Reservoirs				%	%	
Water purification				%	%	
Reticulation				%	%	
Infrastructure - Sanitation				%	%	
Reticulation				%	%	
Sewerage purification				%	%	
Infrastructure - Other				%	%	
Waste Management				%	%	
Transportation				%	%	
Gas				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	
* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

T 5.8.3

# Chapter 5

## COMMENT ON BACKLOGS:

**Delete Directive note once comment is completed** - Comment on how MIG grants have been utilised to redress the backlogs and on the variances in T 5.8.3. If appropriate, comment that **Appendix P** contains details of schools and clinics that have been established that do not have ready access to one or more basic services and **Appendix Q** contains details of those services provided by other spheres of government (whether the municipality is involved on an agency basis or not) that carry significant backlogs.

T 5.8.4

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

**Delete Directive note once comment is completed** – Give a brief comment on the importance of cash flow management. Refer to the scope of this activity as indicated in this component and what you regard as the key management features of your municipality's approach. Refer to any other cash flow issues of current relevance to your municipality that are not adequately provided for in the format of this component.

T 5.9

# Chapter 5

## 5.9 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	Year -1	Current: Year 0		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other				
Government - operating				
Government - capital				
Interest				
Dividends				
<b>Payments</b>				
Suppliers and employees				
Finance charges				
Transfers and Grants				
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	-	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
<b>Payments</b>				
Capital assets				
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	-	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
<b>Payments</b>				
Repayment of borrowing				
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	-	-	-	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	-	-	-	-
Cash/cash equivalents at the year begin:				-
Cash/cash equivalents at the year end:		-	-	-
Source: MBRR A7				T 5.9.1

# Chapter 5

## COMMENT ON CASH FLOW OUTCOMES:

**Delete Directive note once comment is completed** - Supply a brief summary about the cash flow status of the municipality. Explain variances from Original and Adjustment Budget to Actual. Include information on operating activities and what effect they had on cash flow and on cash backing of surpluses. Information regarding cash flow may be sourced from **Table A7 of the MBRR**.

T 5.9.1.1

## 5.10 BORROWING AND INVESTMENTS

### INTRODUCTION TO BORROWING AND INVESTMENTS

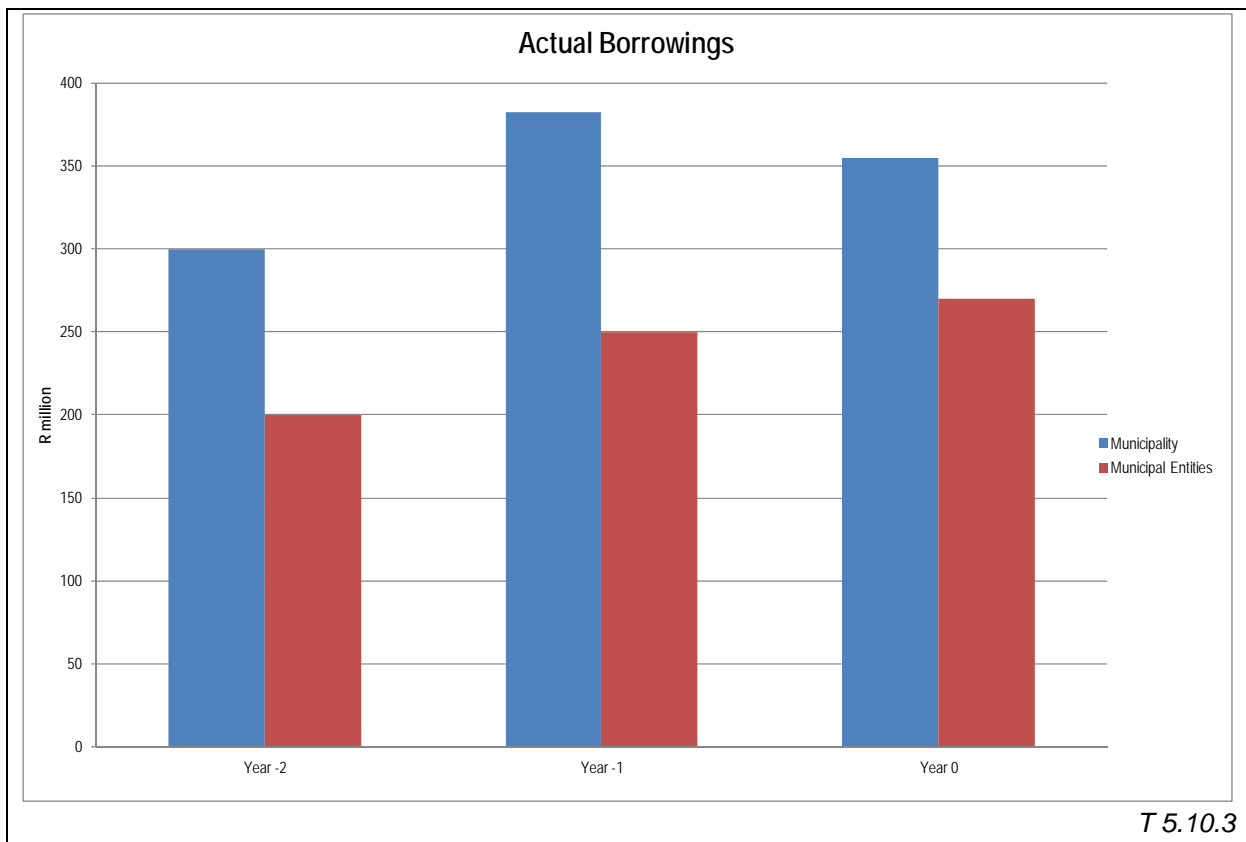
**Delete Directive note once comment is completed** – Explain briefly the relevance of borrowing and investments to you municipality with reference to the tables below and your municipality's requirements in the year. Information may be sourced from **table SA3 AND SA15 in the MBRR**.

T 5.10.1

Actual Borrowings: Year -2 to Year 0			
	R' 000		
Instrument	Year -2	Year -1	Year 0
<b>Municipality</b>	300	382	355
Long-Term Loans (annuity/reducing balance)	200	250	270
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>500</b>	<b>632</b>	<b>625</b>
<b>Municipal Entities</b>			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Entities Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

T 5.10.2

# Chapter 5



# Chapter 5

Municipal and Entity Investments			
			R' 000
Investment* type	Year -2	Year -1	Year 0
	Actual	Actual	Actual
<b><u>Municipality</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
<b>Municipality sub-total</b>	0	0	0
<b><u>Municipal Entities</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
<b>Entities sub-total</b>	0	0	0
<b>Consolidated total:</b>	0	0	0
			T 5.10.4

# Chapter 5

## COMMENT ON BORROWING AND INVESTMENTS:

**Delete Directive note once comment is completed** – Make clarifying comments on the above tables as necessary. All investments whether in the form of loans (in cash or kind) made by the municipality but not to one or more of the organisations set out above and all grants (in cash or kind) made to any form of organisation **must** be set out in full at **Appendix R**.

T 5.10.5

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

### PUBLIC PRIVATE PARTNERSHIPS

**Delete Directive note once comment is completed** - Provide overview of agreements, contracts and projects undertaken during the year through PPP's – Refer to further details of PPP details **Appendix H. Table SA3 (MBRR)** may also be used to gain information on PPP's.

T 5.11.1

## COMPONENT D: OTHER FINANCIAL MATTERS

## 5.12 SUPPLY CHAIN MANAGEMENT

### SUPPLY CHAIN MANAGEMENT

**Delete Directive note once comment is completed** - Provide a brief narrative that describes the progress made by your municipality in developing and implementing policies and practices in compliance with the guidelines set out in SCM Regulations 2005. State the number of Supply Chain officials that have reached the prescribed levels required for their positions (See MFMA Competency Regulation Guidelines) and state the number of prescribed officials that are yet to reach the necessary competency levels; and set out any remarks made in the previous Auditor-General's report or the report for year 0 concerning the quality of Supply Chain Management and detail the remedial action taken. Note comments made in Chapter 2, under section 2.8.

T 5.12.1

# Chapter 5

## 5.13 GRAP COMPLIANCE

### GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

**Delete Directive note once comment is completed** – Follow the above with information on progress with GRAP compliance at your municipality. Detail any instances where the municipality has deviated from the GRAP standards currently applicable.

T 5.13.1



# Chapter 6

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

The municipality received qualified Audit Opinion owing to significance of matters related to financial statements that do not fairly present the financial position of the of the Gariep Local Municipality as at 30 June 2014 and its financial performance and cash flows for the year then ended, in accordance with the South African Generally Recognized Accounting Policies and the requirements of the Municipal Financial Management Act OF South Africa, 2003 (Act No 56 of 2003)(MFMA) and the Division of Revenue Act of South Africa , 2011 (Act No 5 of 2012)(DORA) . The auditor general has identified poor financial management and lack of controls and accountability systems that impact negatively on service delivery for communities, from lack of provision of services to inadequate funds for technical equipment for servicing basic infrastructure

T 6.0.1

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -1

### 6.1 AUDITOR GENERAL REPORTS YEAR -1 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance: Year -1	
<b>Audit Report Status*:</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
Investment property	See audit action plan attached
Property, plant and equipment	See audit action plan attached
Payables from exchange transactions	See audit action plan attached
Prior period errors	See audit action plan attached
Provisions	See audit action plan attached
Provisions	See audit action plan attached
Discontinued operations	See audit action plan attached
Cash flow statements	See audit action plan attached
Statement of comparison of budget and actual amounts	See audit action plan attached
Unauthorised expenditure	See audit action plan attached
Irregular expenditure	See audit action plan attached
Material losses	
<i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i>	

T 6.1.1

# Chapter 6

Auditor-General Report on Service Delivery Performance: Year -1	
Audit Report Status:	
Non-Compliance Issues	Remedial Action Taken
	T 6.1.2

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 0 (CURRENT YEAR)

## 6.2 AUDITOR GENERAL REPORT YEAR 0

Auditor-General Report on Service Delivery Performance: Year -1	
Audit Report Status:	
Non-Compliance Issues	Remedial Action Taken
Reported objectives not consistent with planned objectives, indicators and targets	See audit action plan
Reported indicators and targets not consistent with planned objectives, indicators and targets	
Performance indicators are not well defined	
Reliability of information	
Performance indicators are not verifiable	
T 6.1.2	

Auditor-General Report on Financial Performance Year 0*	
Status of audit report:	
Non-Compliance Issues	Remedial Action Taken
Strategic planning and performance management and budget	See audit action plan
Procurement and contract management	
Human resource management	
Expenditure management	
Liability management	
Asset management	
<p><i>Note: * The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.</i></p>	

# Chapter 6

## AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 0

**Delete Directive note once comment is completed** - Attach report.

T 6.2.3

### COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:

Gariep Local Municipality has received a qualification for two consecutive years and has suddenly regressed to an adverse opinion in 2013 due major disagreements between the Municipality and Auditor General in the accounting practises, evidence also suggest that the cash flow demands and the going concern from the municipality has had negative consequences however this has improved in 2014 as the municipality moved to a qualification. These can be attributed to the municipality's financial environment challenged by a poor skills base, weak support from potential financial sources and to some extent poor controls. Also the demands of implementing the Property Rates Policy however the municipality has sought to turnaround this position within the support of the Department of Local Government OPCA team.

T 6.2.4

### COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements. The municipality has consistently submitted these reports to all relevant parties like Committees of Council, Management and Department of Provincial Treasury. These processes have since contributed to some improvements in the operations of the municipality as these stakeholders would make recommendations on submission hence receiving Qualification opinion.

Signed (Chief Financial Officer)..... Dated

T 6.2.5

# Chapter 6

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

**Delete Directive note once comment is completed** - Refer to the Annual Financial Statements set out in Volume II and the timescale for the audit of these accounts and the audit of performance and the production of reports on these matters by the Auditor General as set out in this Chapter. If this is the version of the annual report presented to Council in September then the Auditor-Generals statements on this year's submissions will not be available for inclusion in this Chapter and this should be explained.

T 6.0.1

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -1

### 6.1 AUDITOR GENERAL REPORTS YEAR -1 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance: Year -1	
Audit Report Status*:	
Non-Compliance Issues	Remedial Action Taken
<i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i>	
	T 6.1.1

Auditor-General Report on Service Delivery Performance: Year -1	
Audit Report Status:	
Non-Compliance Issues	Remedial Action Taken
	T 6.1.2

# Chapter 6

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 0 (CURRENT YEAR)

### 6.2 AUDITOR GENERAL REPORT YEAR 0

Auditor-General Report on Financial Performance Year 0*	
Status of audit report:	
Non-Compliance Issues	Remedial Action Taken
<i>Note: * The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.</i>	
	T 6.2.1

Auditor-General Report on Service Delivery Performance: Year 0*	
Status of audit report**:	
Non-Compliance Issues	Remedial Action Taken
<i>* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance Year 0</i>	
<i>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</i>	
	T 6.2.2

#### AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 0

**Delete Directive note once comment is completed** - Attach report.

T 6.2.3

#### COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:

**Delete Directive note once comment is completed** - Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on year 0 if it provides useful context.

T 6.2.4

#### COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer)..... Dated

T 6.2.5

# GLOSSARY

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of

# GLOSSARY

	outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to

# GLOSSARY

	achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>



# APPENDICES

## APPENDICES

### APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
	FT/PT			%	%
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					<i>T A</i>

Concerning T A

**Delete Directive note before publication:** Provide comments on the above table.

*T A.1*





# APPENDICES

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution		
Building regulations		
Child care facilities		
Electricity and gas reticulation		
Firefighting services		
Local tourism		
Municipal airports		
Municipal planning		
Municipal health services		
Municipal public transport		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto		
Stormwater management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		
Beaches and amusement facilities		
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances		
Control of undertakings that sell liquor to the public		
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		
Licensing and control of undertakings that sell food to the public		
Local amenities		
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution		
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal		
Street trading		
Street lighting		
Traffic and parking		
<i>* If municipality: indicate (yes or No); * If entity: Provide name of entity</i>		<i>T D</i>



# APPENDICES

## APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 0 (Full List at Appendix O)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
				<i>T F.1</i>

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery					
Households without minimum service delivery					
Total Households*					
Houses completed in year					
Shortfall in Housing units					
<i>*Including informal settlements</i>					<i>T F.2</i>

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During Year 0
		<i>T F.3</i>

<p>ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)</p> <p>Names: xxx (8); xxx (7)...</p>	<i>T F.3</i>
--------------------------------------------------------------------------------------------------------------------------	--------------



## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

[illegible]



# APPENDICES

## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose  (i)	(a) Service Indicators	Year 0		Year 1			Year 2	Year 3	
	(b) Service Targets (ii)	Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; "Current Year" refers to the targets set in the Year 0 Budget/IDP round. "Following Year" refers to the targets set in the Year 1 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold <i>italics</i> ) then the Service Target underneath (not in bold - standard type face) to denote the difference.									

# APPENDICES

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 0 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	N W Ngoqo	Nil
Member of MayCo / Exco		
Councillor	B Kolase	Nil
	B Khweyiya	Nil
	N Mabunu	Nil
	N Kula	Nil
	B Kolasi	Nil
	P Kayster	Nil
	E Brien	Nil
	ZT Notyeke	Nil
	M Mnyombolo	Nil
Municipal Manager	TA Mawonga	Nil
Chief Financial Officer	LM Mosala	Nil
Deputy MM and (Executive) Directors		
	N Nyezi	Nil
	W Nodwele	Nil
	L Majikijela	Nil
Other S57 Officials	N/A	

\* Financial intersests to be disclosed even if they incurred for only part of the year. See MBRR SA34A  
T J

# APPENDICES

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

### APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
						R' 000
Vote Description	Year -1	Current: Year 0			Year 0 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Example 1 - Vote 1						
Example 2 - Vote 2						
Example 3 - Vote 3						
Example 4 - Vote 4						
Example 5 - Vote 5						
Example 6 - Vote 6						
Example 7 - Vote 7						
Example 8 - Vote 8						
Example 9 - Vote 9						
Example 10 - Vote 10						
Example 11 - Vote 11						
Example 12 - Vote 12						
Example 13 - Vote 13						
Example 14 - Vote 14						
Example 15 - Vote 15						
<b>Total Revenue by Vote</b>	-	-	-	-	-	-
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i> <i>This table is aligned to MBRR table A3</i>						T K.1

# APPENDICES

## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	Year -1	Year 0		Year 0 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	26,485	23,572	28,075	23,042	-2%	-22%
Property rates - penalties & collection charges	8,541	8,285	9,054	8,456	2%	-7%
Service Charges - electricity revenue	12,355	10,254	12,478	13,219	22%	6%
Service Charges - water revenue	14,232	13,235	13,662	12,097	-9%	-13%
Service Charges - sanitation revenue	6,542	5,496	5,954	6,346	13%	6%
Service Charges - refuse revenue	1,865	1,622	1,865	1,510	-7%	-23%
Service Charges - other	5,643	5,530	5,925	5,304	-4%	-12%
Rentals of facilities and equipment	5,643	5,530	5,925	5,304	-4%	-12%
Interest earned - external investments	5,322	4,470	5,747	4,630	3%	-24%
Interest earned - outstanding debtors	8,455	8,455	8,624	9,554	12%	10%
Dividends received	1,254	1,003	1,191	1,354	26%	12%
Fines	2,516	2,063	2,264	2,340	12%	3%
Licences and permits	6,846	6,230	7,256	6,640	6%	-9%
Agency services	12,546	10,413	11,793	11,542	10%	-2%
Transfers recognised - operational	2,355	2,190	2,425	2,402	9%	-1%
Other revenue	48,542	40,776	48,542	46,115	12%	-5%
Gains on disposal of PPE	4,565	3,698	4,337	4,291	14%	-1%
Environmental Protection	5,649	4,971	6,157	4,971	0%	-24%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>179,353</b>	<b>157,791</b>	<b>181,274</b>	<b>169,118</b>	<b>6.70%</b>	<b>-7.19%</b>
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.</i>						<i>T K.2</i>

# APPENDICES

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
<i>Other Specify:</i>						
Total						
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.						T L

### COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

**Delete Directive note once comment is completed** – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

T L.1

# APPENDICES

## APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

### APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	-		-	-	-	-
Infrastructure: Road transport - Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
<b>Community - Total</b>	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
<i>Table continued next page</i>							

# APPENDICES

Table continued from previous page

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	-	-		-	-	-	-
Buildings							
Other							
<b>Investment properties - Total</b>	-	-		-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>	-	-		-	-	-	-
List sub-class							
<b>Biological assets</b>	-	-		-	-	-	-
List sub-class							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
<b>Total Capital Expenditure on new assets</b>	-	-		-	-	-	-
<b>Specialised vehicles</b>	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

T M.1

# APPENDICES

## APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*							
Description	Year -1	Year 0		Planned Capital expenditure			R '000
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	-		-	-	-	-
Infrastructure: Road transport -Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
<b>Community</b>	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
<b>Heritage assets</b>	-	-		-	-	-	-
Buildings							
Other							
Table continued next page							



# APPENDICES

*Table continued from previous page*

Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Investment properties</b>	-	-		-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>	-	-		-	-	-	-
List sub-class							
<b>Biological assets</b>	-	-		-	-	-	-
List sub-class							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
<b>Total Capital Expenditure on renewal of existing assets</b>	-	-		-	-	-	-
<b>Specialised vehicles</b>	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)

T M.2

# APPENDICES

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

Capital Programme by Project: Year 0					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Water</b>					
"Project A"	82	85	92	8%	11%
"Project B"	82	85	92	8%	11%
"Project C"	85	90	95	5%	11%
<b>Sanitation/Sewerage</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Electricity</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Housing</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Refuse removal</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Stormwater</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Economic development</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Sports, Arts &amp; Culture</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Environment</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Health</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>Safety and Security</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<b>ICT and Other</b>					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
T / N					

# APPENDICES

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital Programme by Project by Ward: Year 0		
		R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)
Water		
"Project A"		
"Project B"		
Sanitation/Sewerage		
Electricity		
Housing		
Refuse removal		
Stormwater		
Economic development		
Sports, Arts & Culture		
Environment		
Health		
Safety and Security		
ICT and Other		
		T O

# APPENDICES

## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Clinics (NAMES, LOCATIONS)				
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				TP

# APPENDICES

## APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licencing and Testing Centre:		
Reseviors		
Schools (Primary and High):		
Sports Fields:		
		T O

# APPENDICES

## APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 0				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 0 R' 000	Total Amount committed over previous and future years
<i>* Loans/Grants - whether in cash or in kind</i>				<i>T R</i>

# APPENDICES

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capability		
* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.		
		T S

# VOLUME II

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.